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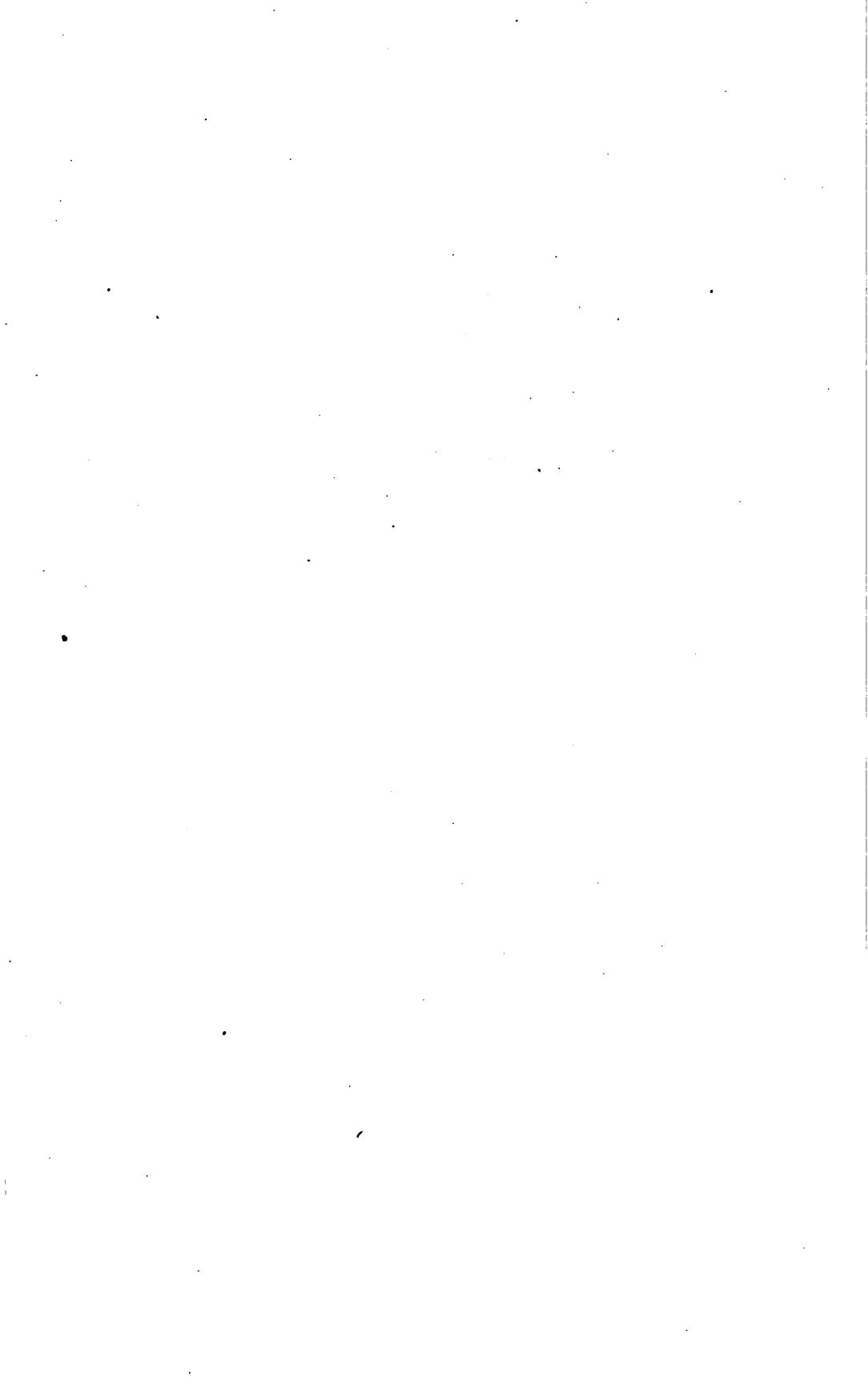
*By Hon. Philo Parsons*

*July 12, 1856*

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# **PROCEEDINGS**

**OF THE**

## **EIGHTH ANNUAL MEETING**

**OF THE**

# **NATIONAL BOARD OF TRADE,**

**HELD IN NEW YORK,**

**J U N E, 1876.**

---

**C H I C A G O :**

**KNIGHT & LEONARD, PRINTERS.**

**1876.**



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## INTRODUCTORY NOTE.

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The meeting of the Board in New York, at a time so near the date of the Centennial Anniversary of the nation, it was hoped would prove to be one of unusual interest, and would call together full delegations from the various constituent bodies throughout the country; and also, in response to special invitations ordered by the Executive Council to be sent to various commercial organizations in other countries, that such would send accredited delegations to the meeting for the purpose of conferring with American merchants on subjects of mutual interest. This hope was in very considerable measure realized; but in so far as representatives from abroad were concerned it was regretted that the attendance was less than had been expected. This, however, may be readily accounted for, because in the first place the weather proved to be so excessively warm and dry as to render a journey to New York exceedingly fatiguing and unpleasant; and in several cases where delegates, accredited to the meeting from foreign bodies, were known to be in this country, yet were not present solely from this cause. Again, the supposed embarrassment of gentlemen from abroad speaking a different language undoubtedly deterred some from attendance. The correspondence, however, in all cases showed a most cordial feeling and hearty sympathy with the merchants and people of the United States. The representatives present from such bodies were most cordially welcomed, and it is hoped bore away with them kindly feelings, not only towards American merchants but also to our country and its institutions. The constituent bodies of the Board were more generally represented than at several of the recent meetings; and the body is to be congratulated on the general disposition to send to the meetings gentlemen of marked intelligence and ability, whose evident only aim is to consider and discuss the questions brought before them with candor and honesty of purpose, and with the endeavor to indorse only such recommendations as seem calculated to secure the greatest possible good to the country at large. It is noteworthy that a glance at the official programme of questions and subjects to be considered at the meeting presents an entire absence of questions that could in any sense be considered of a local or sectional character, much less as having for their object personal

aggrandizement or advantage. The gentlemen selected by the various constituent bodies as delegates to the meetings of the National Board of Trade are perhaps as truly representatives of the commercial interests of the country as can be gathered in any form of convention; and giving expression on important public questions only after full discussion and the comparison of thought, it would seem that such expressions are entitled to consideration and respect, as they doubtless have been, by those they seek to influence. Four organizations, representing widely distant sections of the country, were admitted to membership at this meeting.

Many of the questions brought before the Board at the meeting herein reported have heretofore been considered by it, and on such the entire record of the body since its organization—the different meetings composed, as they have been in large measure, of different individuals—shows no vacillation or substantial change of views with advancing time and experience. New thoughts and new arguments are brought forward in support of old measures, but the results arrived at all point in the same general direction. The highest good of our common country in all its multifrom interests and industries is ever inscribed on the banner of the organization, and persistent but courteous recommendations are adopted to secure those objects and ends.

The establishment of a national department at the seat of government charged with the oversight and in some degree with the supervision of the commercial interests of the country, has ever been regarded by the body as of great importance. The returning years of experience only bring to notice facts that more strongly impress the minds of commercial men with the absolute necessity for the early adoption by Congress of measures to secure this end. The debates on this question reported herewith, as well as those of former years, present the subject in so clear a light that it would seem the full realization of the desire of the body in regard to it ought not much longer to be delayed.

The still depressed and unsatisfactory condition of the financial and industrial interests of the country again challenged the consideration of the Board, and again it gave expression to its deeply entertained conviction that the pressing necessity of the hour is for a radical reform in our financial and commercial affairs, and the intelligent revision of complicated and burdensome laws touching the manner of levying and collecting the revenues of the government.

The question of restoring our national currency to a specie standard, and the best means of reaching that desirable end, was as heretofore, carefully considered. The recommendation of the Board at its session in 1875,

urging Congress to adopt measures that will, beyond contingency, enable the Treasury Department to carry into effect and execution the sacred pledge of the government that it would, at a certain time named by its own act, redeem its currency obligations in coin as presented for such redemption, has not as yet been acted upon by Congress. While a year since this Board contented itself with simply urging the adoption of suitable measures to carry into effect the act of January, 1875, without in any way indicating what particular measures it deemed suitable, it at the late session recommended the funding or otherwise redeeming and canceling the surplus legal tender notes until those which remain shall be at par with coin; which of course would place all the financial transactions of the country on a specie basis, all other obligations being payable either in these notes or in coin. The only opposition to this proposition as developed in the debate was the apprehension of some that if adopted it might result in an unnecessary and injurious contraction of the circulating medium of the country. It may, however, be reasonably assumed that the present unrestricted authority for the issue of National Bank currency will readily and promptly supply any real necessities of the country in this respect. That there is afloat in the channels of trade an unnecessarily large volume of paper currency seems quite apparent from the [steady retirement of National Bank notes, by the voluntary action of the banks themselves, as well as by the well known fact that vast quantities of currency lie practically unused in bank vaults awaiting profitable employment.

In respect to a proposition pending in Congress to establish a legal tender of silver coin, the Board by a unanimous vote adopted a memorial to Congress urging that the legal tender of silver coin should be restricted to a sum not exceeding five dollars, the limit that at present exists, and has, practically, for over twenty years past. The debate on this question will be found both interesting and instructive.

A thorough revision of both the Tariff and Internal Revenue laws of the country was recommended; and in respect to the Tariff laws it is noteworthy that the question of free trade and protection entered but little into the discussion by the delegates—all conceding that our present laws on this subject demand important revision aside from any question of revenue or industrial policy. A commission of intelligent, practical and thoroughly instructed persons was recommended for the consideration of this subject.

The Board again urged upon Congress the passage of a law authorizing the appointment of a commission to endeavor to arrange a satisfactory treaty for reciprocal trade with the Dominion of Canada; and also the

## INTRODUCTORY NOTE.

appointment of a similar commission to, if possible, more satisfactorily adjust our commercial relations with the Central and South American States.

The unsatisfactory practical operation of the National Bankrupt Law was very fully considered, and several recommendations were adopted in reference to its revision and amendment. Many of these are reiterations of the former expression of the Board on the subject.

The question of the taxation of American commerce by the system of Light-dues imposed by the Government of Great Britain was again considered; as was also the question of Compulsory Pilotage Fees, as imposed by several of the States. On the first of these subjects the Board voted a petition to the President of the United States requesting that the subject be again brought to the attention of the British Government, with a view, if possible, to secure immunity to our shipping from this onerous tax. On the pilotage question the Board failed, by the necessary two-thirds vote, to make any expression. A very general if not entirely unanimous feeling prevailed that many of the features of State pilotage laws were unjust and oppressive.

Other questions commanded the consideration of the Board, on several of which definite expression was had, while others were referred to the Executive Council for examination and report at a future meeting.

Several amendments of minor importance to the Constitution and By-laws of the Board were adopted. An important one submitted for consideration, looking to important modifications in the organization and functions of the Executive Council, was laid over for consideration at the next meeting of the Board.

The constituent bodies of the Board representing New York city were most cordial and hospitable in their treatment of the body and the visiting delegates, and won the admiration and thanks of all for their magnificent and most enjoyable entertainments, which were so timed as not to interfere with the progress of the business of the session, and served as delightful relaxations from the oppressively heated term during which the sessions chanced to be held.

The Executive Council voted that the next regular meeting of the Board should be held in the city of Milwaukee, the date to be fixed hereafter.

SECRETARY.

CHICAGO, August, 1876.

CONSTITUENT BODIES  
IN MEMBERSHIP IN THE NATIONAL BOARD OF TRADE,  
1876.

NAMES.	Date of Organization.	Date of Incorporation.	Membership, June, 1876.	President, 1876.	Secretary, 1876.
Baltimore Board of Trade.....	1849	1852	200	J. Hall Pleasants	Geo. U. Porter.
Baltimore Corn and Flour Ex'ge.	1855	1855	487	Chas. D. Fisher	Wm. F. Wheatley
Boston Board of Trade .....	1854	1854	500	John Cummings.	C. G. Atwood.
Bridgeport Board of Trade.....	1874	1874	125	David M. Read ..	T.R. Cruttenden.
Buffalo Board of Trade .....	1844	1857	234	Cyrus Clarke ....	Wm. Thurstone.
Chicago Board of Trade .....	1848	1850	1845	John R. Bensley	Chas. Randolph.
Cincinnati Chamber of Comm'rce	1839	1850	1200	C. M. Holloway..	Brent Arnold.
Davenport Board of Trade.....	-----	-----	* 56	* Wm. Renwick ..	*J. M. Davis.
Detroit Board of Trade .....	1856	1863	45	Jacob Bleson....	Wm. Y. Rumney.
Dubuque Board of Trade .....	1876	1876	173	H.S. Hetherington	Jno. S. Hancock.
Kansas City Board of Trade .....	1868	1876	100	F. C. Nofsinger..	W. H. Miller.
Milwaukee Ch'ber of Commerce.	1858	1868	572	N. Van Kirk....	W. J. Langson.
Mobile Board of Trade.....	1868	1868	180	L. E. Brooks ....	E. D. Sanford.
Newark Board of Trade.....	1868	1869	190	Edmund L. Joy..	R. S. Swords.
New Haven Ch'ber of Commerce	1794	1872	104	T. R. Trowbridge	Harry Prescott.
New York Board of Trade .....	1874	1874	302	George Opdyke..	Wall. P. Groom.
New York Chamber of Commerce	1768	1770	771	S. D. Babcock..	Geo. Wilson.
New York Cheap Trans. Assoc'n	1873	1875	342	B. P. Baker .....	A. B. Miller.
N.Y. Imp'ters' & Grocers' B. of T.	1872	1872	135	Geo. W. Lane....	Wm. Neilson.
New York Produce Exchange ...	1843	1862	2468	L. J. N. Stark....	Gee. C. Martin.
Philadelphia Board of Trade.....	1833	1838	1100	John Welsh .....	Geo. L. Buzby.
Philadelphia Commercial Ex'ge .	1853	1863	600	Geo. W. Mears...	Geo. G. Pierie.
Portland Board of Trade.....	1853	1854	269	G. W. Woodman	M. N. Rich.
Providence Board of Trade .....	1868	1868	368	Wm. Grosvenor..	F. P. Little.
Richmond Chamber of Comm'rce	1867	1868	* 100	E. D. Nolting....	P. G. Coghlan.
San Francisco Ch'r of Commerce	1850	1868	180	I. Friedlander ..	Henry Mel.
Scranton Board of Trade .....	1871	1871	53	G. A. Fuller .....	A. D. Holland.
St. Louis Board of Trade.....	1866	1866	206	Chaun. I. Filley ..	C. L. Thompson.
Trenton Board of Trade .....	1868	1871	102	Wm. Dolton .....	Wm. W. Stelle.

\* Report of 1875.

## OFFICERS FOR 1876-7.

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**PRESIDENT:**

FREDERICK FRALEY, . . . . . *Philadelphia.*

**VICE PRESIDENTS:**

R. B. BAYARD, . . . . . *Baltimore.*  
J. W. CANDLER, . . . . . *Boston.*  
E. P. DORR, . . . . . *Buffalo.*  
GEO. M. HOW, . . . . . *Chicago.*  
S. F. COVINGTON, . . . . . *Cincinnati.*  
J. D. HAYES, . . . . . *Detroit.*  
R. C. CROWELL, . . . . . *Kansas City.*  
W. P. McLAREN, . . . . . *Milwaukee.*  
EDMUND L. JOY, . . . . . *Newark.*  
J. S. T. STRANAHAN, . . . . . *New York.*  
FRANKLIN EDSON, . . . . . *New York.*  
C. J. HOFFMAN, . . . . . *Philadelphia.*  
T. C. HERSEY, . . . . . *Portland.*  
WM. GROSVENOR, . . . . . *Providence.*

**SECRETARY and TREASURER:**

CHAS. RANDOLPH, . . . . . *Chicago.*

# OFFICIAL PROGRAMME

OF

## SUBJECTS AND RESOLUTIONS

TO BE CONSIDERED BY THE NATIONAL BOARD OF TRADE AT ITS EIGHTH ANNUAL MEETING, TO BE HELD IN THE CITY OF NEW YORK, ON TUESDAY, JUNE 27, 1876, AND FOLLOWING DAYS.

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### 1. AMENDMENTS TO THE CONSTITUTION OF THE BOARD.

*From the Produce Exchange, New York, and the Board of Trade, Chicago.*

First. Amend Section 1 of Article III by inserting as the first words of the section—

"At all meetings of the Board."

Second. Amend Section 1 of Article IV so that it shall read as follows:

"The administration of the affairs of the Board shall be vested in a President, a First and Second Vice-President (who shall be deemed to represent the association at large), and one delegate representing each constituent body in membership in the Board; who, together, shall constitute and be known as the Executive Council, and shall serve until their successors are chosen. Ten of their number shall be a quorum for the transaction of business. The President and two Vice-Presidents shall be elected at each meeting of the Board, called by vote of the Executive Council. Their election shall be by ballot, and a majority of all the votes cast shall be necessary to a choice. Their election shall be the first business in order after the submission of the reports of the Council. They shall serve as President and Vice-Presidents of both the Board and the Executive Council. In the absence or disability of the President, a Vice-President—having precedence in their numerical order—shall serve in his stead; and, in the absence of the President and both of the Vice-Presidents, the Executive Council shall designate one of their number to serve as president *pro tempore*. The members of the Executive Council serving as representatives of constituent bodies may be designated by the associations they respectively represent, or may be chosen by each delegation in manner to be determined by themselves; and, in case of the attendance of but one delegate, representing a constituent body, he shall be *ex-officio* a member of the Executive Council."

Third. Section 2 of Article IV, *a new section*, as follows:

"The Executive Council shall hold at least one regular session annually,

at such time and place as may have been previously agreed upon by vote. It shall be authorized to consider and act upon, in behalf of the Board, original questions or business in the same manner as the Board itself, except that questions may be submitted and forwarded to the Secretary by constituent bodies, or by members of the Council, thirty days in advance of the meeting at which it is to be considered; and shall be communicated to members of the Council by the Secretary at least twenty days previous to such meeting. On all questions before the Council, each member shall be entitled to one vote in person; and on the demand of three or more members, a vote by yeas and nays shall be had, in which the President and each of the Vice-Presidents shall be entitled to one vote; and members representing constituent bodies shall each be entitled to the number of votes the association he represents was entitled to in the Board at the last preceding meeting."

Fourth. Consolidate Sections 2 and 3 of Article IV, as they now stand, into *new* Section 3.

Fifth. Add to Section 4 of Article IV—

"Which call shall state the object of the meeting."

Sixth. Amend Section 1, Article V, as follows:

"Strike out the word 'annual' from the second provision of the section, and substitute the word 'regular' for the word 'annual' in the third provision of the Section."

Seventh. Amend Section 4, Article VI, so that it shall read—

"Notice of meetings of the Board shall be served by the Secretary on each constituent body at least thirty days before the time appointed for assembling. The notice shall state the object of the meeting and the questions to be considered."

Eighth. Amend Section 2, Article IX, by—

Striking out "an annual meeting" and inserting instead "any meeting of the Board or of the Executive Council."

Ninth. Amend Section 3, Article IX, by striking out the word "annual," as it occurs *twice* in the Section.

Tenth. Amend Section 1, Article X, by striking out the word "annual."

Eleventh. Article XI. Substitute the following in place of the article as it now reads, viz:

"The provisions of this Constitution may be temporarily suspended, except as to a quorum, at any meeting of the Board, by unanimous consent of the delegates present and voting."

## II. AMENDMENT TO THE CONSTITUTION OF THE BOARD.

*From the Board of Trade, Newark.*

Amend Article II of the Constitution by adding the following:

Section 3. Any local Board organized in any State where Special Charters cannot be had shall be deemed to comply with the provisions of this Article by filing with this Board a copy of its Articles of Association under State law, and of its Constitution and By-Laws.

## III. DEPARTMENT OF COMMERCE.

*From the Executive Council as a subject for consideration, and by the Board of Trade of Philadelphia, by resolution as follows:*

*Resolved*, That it is expedient for the National Board of Trade to continue to use all its influence for the establishment of a National Department of Commerce.

## IV. THE NATIONAL CURRENCY.

*From the Board of Trade, Boston.*

*Resolved*, That the National Board of Trade reaffirms emphatically its long cherished and often repeated conviction, that the financial and industrial prosperity of our country is utterly incompatible with the employment of an irredeemable and depreciated paper currency, and that the only remedy for existing commercial distress, depression and ruin is to be found in the restoration of a just and sound standard of value.

*Resolved*, That the present stagnation of business and superabundance of idle capital, which are the necessary results of inflation and extravagance, ending in collapse, furnish a most favorable opportunity for replacing the pecuniary transactions of the people on a sound basis, by withdrawing from circulation the large surplus of legal-tender notes which cannot be maintained on a par with coin; and we call earnestly upon the Congress of the United States to delay no longer the necessary steps for funding or otherwise redeeming and cancelling these notes until those which remain in circulation shall be at par with coin.

## V. SCIENTIFIC SCHOOLS.

*From the Board of Trade, New York.*

*Resolved*, That in the opinion of this Board, the interference of Trades Unions with the system of apprenticeship, the active competition of foreign manufacturers with American industries in home and distant markets, and the increased attention given by Governments abroad to the improvement of skilled labor by instruction in science and art as applied to manufactures and the trades, render it important to our national progress that some steps be at once taken toward the establishment of Art and Science Schools in all the States of the Union, where workingmen and their children may receive such technical instruction as may improve and create skilled labor.

## VI. POSTAL SERVICE.

*From the Board of Trade, Chicago.*

WHEREAS, The prompt delivery of the mails in all parts of the country has come to be of vital importance to the commercial interests especially, and to all the business and social relations of the people, and

WHEREAS, The recent improvement in the conduct of the mail service, by the inauguration of fast mail lines on routes between prominent points of receipt and delivery of mail matter, has produced most satisfactory results,

and its abandonment would be a great calamity to all the business interests of the country; therefore

*Resolved*, That the National Board of Trade, speaking in behalf of the whole country, respectfully urges that Congress will provide by law the means of continuing the special fast mail service on all the lines where the same is now in operation, and that it be extended where the necessities of the service demand it, and it can be adopted at a reasonable cost.

#### VII. BILLS OF LADING, RAILROAD AND STORAGE RECEIPTS.

*From the Corn and Flour Exchange, Baltimore.*

*Resolved*, That for the promotion of security in Commercial transactions, the National Board of Trade recommends a uniform system of legislation regulating the issue, negotiability and transfer of Bills of Lading, Storage Receipts and like commercial instruments, by defining the rights of the holders thereof, and by preventing and punishing improper dealings with the same, or with goods covered thereby.

*Resolved*, That the National Board of Trade, in reviewing the subject—heretofore under its consideration—of abuses in existing forms of Bills of Lading and Railroad Receipts, affirms that the remedy for said abuses lies within the scope and province of Federal Legislation, under the powers to regulate commerce conferred by the Constitution; that it is the duty of Congress to remedy said abuses by appropriate legislation, and that immediate exercise of that duty shall be urged upon Congress by such means and in such manner as shall be determined upon by the Board at its present meeting.

#### VIII. RAILWAY TRANSPORTATION.

*From the Cheap Transportation Association, New York.*

WHEREAS, The application of steam to the purposes of transportation has revolutionized commerce, and on land has resulted, to a great extent, in the supersedure of the old public highways, by a new and improved system of roads which are almost entirely under private control; and

WHEREAS, These highways possess and exercise powers of taxation for this service, from which are derived an annual revenue far in excess of that of the Government of the United States, and there is reason to believe that this power is not exercised equitably or impartially; therefore

*Resolved*, In the opinion of the National Board of Trade, that while the evils and defects under which we are now suffering were perhaps inseparable from so great a revolution in the means of transportation, yet the railroad is now emerging from its transition state, and is assuming its permanent place as a citizen; that it is of the greatest importance that its rights and duties as such should be properly defined, and the intimate relations which exist between the public and those who now control the public highways equitably and permanently adjusted.

*Resolved*, That the control of public highways is one of the inalienable rights and attributes of sovereignty; that the power to make or mar the fortunes of individuals or communities that is assumed by those who now

control our principal lines of transportation is detrimental to the public welfare, and one that should not be exercised by any man or set of men without proper supervision and regulation in the interest of the State; that means should be devised by which our present inadequate, incongruous and chaotic system of transportation can be regulated, the extreme fluctuations in rates avoided, the disastrous so-called "Railroad Wars" prevented, and certain general rules (including a uniform classification of freight) adopted, which will be binding throughout the United States.

*Resolved,* That the first step in the solution of this great question should be the acquirement of full and exact information, upon which can be based just principles of action; and to this end we recommend to the attention of Legislators, both State and National, the necessity of providing for the compilation of statistics and information by men of character, capacity and special fitness for that service.

#### IX. RAILROAD FREIGHT CHARGES.

*From the Board of Trade, Philadelphia.*

The Philadelphia Board of Trade suggests the propriety of discussing the following proposition, viz: That freight charges by railroad should be divided into the two charges, of mileage and terminal expenses, the first item to be proportioned to distance, and both charges to be the same to all shippers of similar goods in similar amounts.

#### X. UNIFORMITY OF STATE LAWS.

*From the Board of Trade, New York.*

*Resolved,* That this Board commend to the consideration of the Legislatures of the several States the desirability of a unification of the laws of all the States relating to trade and commerce.

#### XI. UNIFORM GRADING OF GRAIN.

*From the Produce Exchange, New York.*

WHEREAS, Experience of more than twenty years in the Western cities has demonstrated that a system of bulking and grading grain of similar kind and quality is the most economical and expeditious manner of handling our crops of cereals, and

WHEREAS, The same general plan has been adopted at the seaport cities and is now in practical operation; therefore

*Resolved.* That the best interests of the producers, merchants and exporters of grain require the adoption of uniform standards of quality in the principal markets of the country.

*Resolved.* That five commissioners be appointed by the President of the National Board of Trade for the purpose of carrying out the views expressed in the foregoing preamble and resolution.

**XII. BANKRUPT LAW OF THE UNITED STATES.**

*From the Board of Trade, Scranton.*

Action by the National Board of Trade favoring the repeal of the Bankrupt Act.

**XIII. BANKRUPT LAW OF THE UNITED STATES.**

*From the Board of Trade, Philadelphia.*

The consideration of the Bankrupt Law.

**XIV. REVISION OF THE TARIFF LAWS.**

*From the Board of Trade, Boston.*

*Resolved*, That the existing confusion and irregularity in all branches of business and industrial pursuits, and the unsettled condition of markets, commercial values and financial undertakings, call loudly for a reform of our whole commercial and financial system; and especially for a thorough revision of the tariff of duties on imports, made not in the interest of any class or classes of producers, manufacturers or merchants, but for the benefit of the whole people and the maintenance and augmentation of the national revenue; and that this demand, already urgent, will be far more imperative and irresistible when the resumption of specie payments shall have brought our commercial values into equilibrium with those of other nations.

*Resolved*, That we recommend to Congress the appointment of a commission of intelligent, practical and thoroughly instructed persons for the purpose of accomplishing this most important object.

**XV. REVENUE REFORM.**

*From the Board of Trade, Chicago.*

*Resolved*, That the Congress of the United States be earnestly requested to cause an early and entire revision of the whole revenue system of the country, especially those laws relating to internal revenue; and that all existing laws be so modified as to produce the largest possible revenue; be rendered easy of comprehension, and so adjusted as not to invite a system of corruption and debauchery among those who are called upon to pay the same, and to those officials charged with the supervision of its collection.

**XVI. AMENDMENTS TO THE NATIONAL BANKING ACT.**

*From the Board of Trade, Philadelphia.*

The Philadelphia Board of Trade submits for inquiry: What amendments in the judgment of the National Board of Trade should be made to the National Banking Act?

**XVII. POLITICAL RELATIONS OF COMMERCIAL MEN.**

*From the Board of Trade, New York.*

The consideration of the proper relationship of commerce and commercial men to the politics of the country.

## XVIII. CANADIAN RECIPROCITY.

*From the Board of Trade, Boston.*

The question of the renewal of reciprocal trade between the United States and Dominion of Canada.

## XIX. CANADIAN RECIPROCITY.

*From the Board of Trade, Chicago.*

*Resolved*, That the National Board of Trade most heartily approves, and urges upon Congress the early adoption of, the following joint resolution, which was introduced into the House of Representatives on December 15, 1875, to wit:

*"RESOLVED, By the Senate and House of Representatives of the United States, in Congress assembled, That the President of the United States be and is hereby authorized to appoint three commissioners, by and with the advice and consent of the Senate, to confer with other commissioners duly authorized by the Government of Great Britain, or whenever it shall appear to be the wish of that government to appoint such commissioners, and to investigate and ascertain on what basis a treaty of reciprocal trade, for the mutual benefit of the people of the United States and the Dominion of Canada, can be negotiated."*

## XX. THE SHIPPING INTEREST.

*From the Board of Trade, Philadelphia.*

The Philadelphia Board of Trade proposes to the National Board the propriety of considering the best means for the reëstablishment of our commercial marine.

## XXI. PILOTAGE LAWS.

*From the Board of Trade, Boston.*

*Resolved*, That Congress is earnestly requested to enact, during its present session, the bill reported by the Committee on Commerce of the House of Representatives, providing for the abolition of compulsory pilotage and the payment of compulsory pilotage fees, so far as all vessels engaged in the coastwise trade of the United States are concerned.

## XXII. PILOTAGE LAWS.

*From the Board of Trade, Philadelphia.*

The consideration of a general pilotage law.

## XXIII. THE LIGHT-HOUSE SYSTEM.

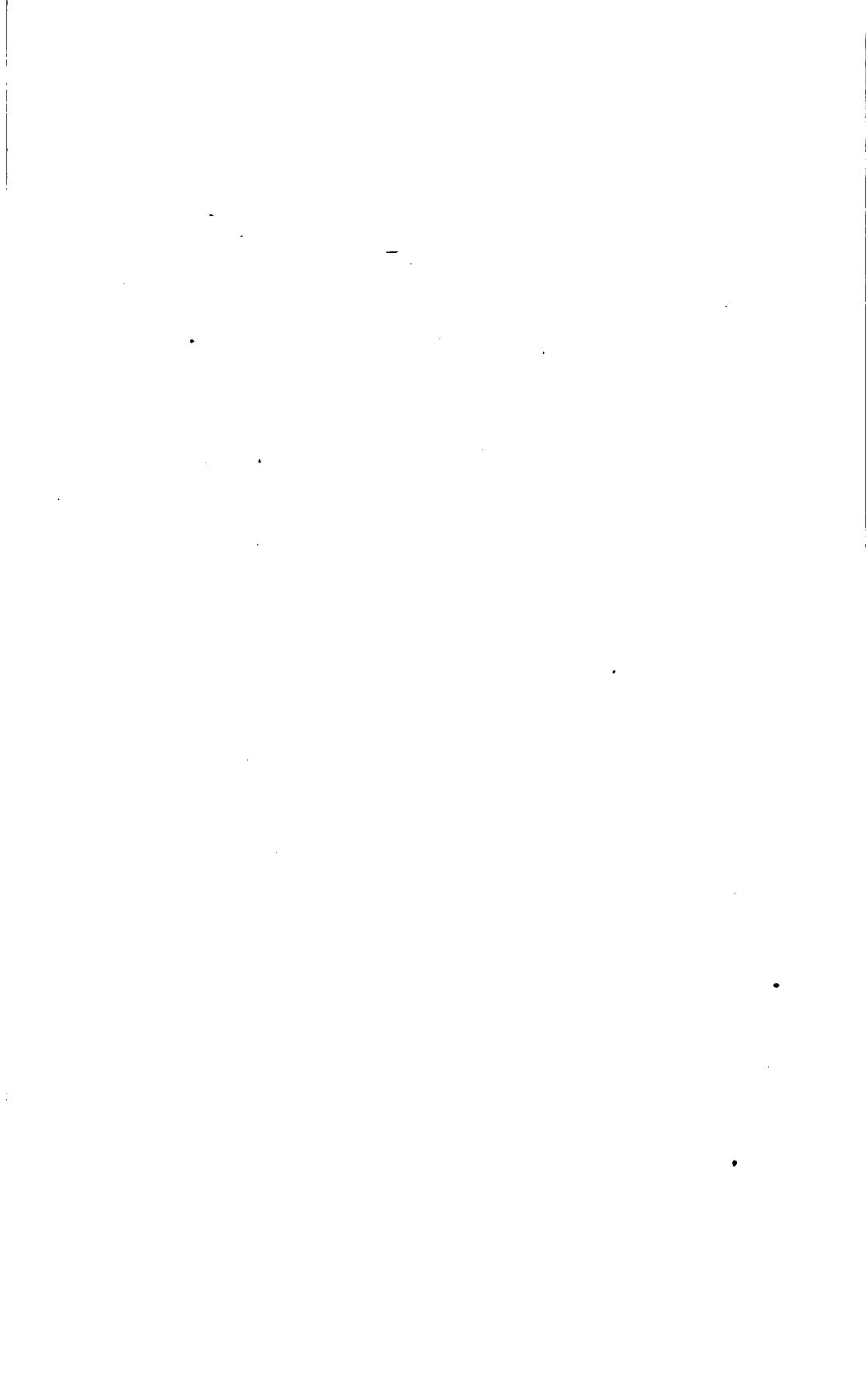
*From the Board of Trade, Boston.*

The light-house system of Great Britain and the United States.

## XXIV. POSTAL TELEGRAPH.

*From the Cheap Transportation Association, New York.*

Favoring the establishment of a postal telegraph.



EIGHTH ANNUAL MEETING  
OF THE  
NATIONAL BOARD OF TRADE.

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The Eighth Annual Meeting of the National Board of Trade was held in the Theatre of the Union League Club, corner of Twenty-sixth street and Madison avenue, in the city of New York, on Tuesday, Wednesday, Thursday and Friday, June 27 to 30, inclusive, 1876.

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FIRST DAY.

TUESDAY, JUNE 27, 1876.

The Board was called to order at twelve o'clock, noon, the President, Hon. FREDERICK FRALEY, of Philadelphia, in the chair.

Prayer was offered by the Rev. Dr. ARMITAGE, of the Fifth Avenue Baptist Church, New York.

The PRESIDENT: *Gentlemen,—I now have the pleasure of introducing Mr. FRANKLIN EDSON, of New York, who desires to welcome to the city of New York the delegates here assembled from other cities.*

Mr. EDSON: *Mr. President, Members of the National Board of Trade, and Honored Guests,—In the unavoidable detention at Albany, of His Excellency the Governor, and the absence in a distant city of His Honor the Mayor, the pleasing duty of welcoming you to our city devolves upon me, as I discovered last*

night. I therefore, in behalf of our commercial associations, bid you a hearty welcome. We wish those who are our honored guests—the representatives of the commerce of other nations—to believe that these are not mere empty words, but that this welcome springs from the hearts of true and loyal American citizens.

The wheels of commerce move more heavily with us than they used, and the manufactories are, in a measure, idle, while the reward of the husbandman, in dollars and cents, is less abundant than in years recently passed; yet, notwithstanding all this, we welcome you to "peaceful homes and pleasant firesides," with still plenty and to spare, in our father's house.

As citizens of a commonwealth whose resources are boundless, and whose industries and commerce have already, in the first century of our national existence, developed to colossal proportions, we are learning, as have other nations before us, through the costly but wholesome lesson of our own experience, that war leaves its sad entail of debt, taxation and disordered industries; that national waste must be repaid by national frugality; we are also learning that a nation's finances must be made to rest upon the solid basis of representative value, and that the prosperity of a people, like that of an individual, comes but as the reward of rightful labor put forth for rightful ends. To our brethren of the Dominion of Canada we extend a most cordial greeting. We think you are aware, that not from this Board only, but from most of its constituent bodies, a formal request has gone forth that our government shall take such steps as will bring about the speedy establishment of a reciprocal treaty upon a truly reciprocal basis. Aside from this question, however, there are many subjects in which we have a common interest, and on which we shall value your counsels. To those gentlemen who come to us as representatives of the trade and commerce of nations beyond the sea, we give a thrice hearty welcome. We trust the time is not far distant when they shall meet regularly with us in our councils, and bring with them representatives of other great nations which are not represented here to-day. Then shall the brotherhood of nations, which is so nobly represented to-day in that world's gathering, in the "City of Brotherly Love," the city of our President, and which is due so largely to his own personal efforts, and to those of his associate delegates, be made to bring perennial fruitage. In conclusion, gentlemen, allow me to

say on behalf of our commercial associations, that it will be a source of great gratification to them if they shall succeed in making this visit to our city, one of pleasant memory to yourselves, as well as the occasion of benefit to those whom you represent. [Applause.]

The PRESIDENT: I am sure, sir, that it is hardly necessary for me to say how gratefully my colleagues of the National Board of Trade accept this cordial greeting from you, as a representative of the great commercial metropolis of our country. In common with them I feel a pride in the city of New York which words would fail to express. We have seen to what magnificent proportions her commerce has attained, and now that the commercial field has been so well occupied, to what an extent her manufactoryes are flourishing and her energies are being directed towards those things which contribute to the welfare and happiness of mankind. It is pleasant for us to be here again with you, to renew the ties which have bound us together for so many years, to come and take counsel from your great experience; and those of us who come from sections of the country more remote from the Atlantic seaboard, which possibly do not feel the influence of the great commercial waves that beat upon the shore here, may come and take lessons for their improvement from what you have accomplished.

You are emphatically the city of the merchants of this country. My own city may claim to be the city of the manufacturing interests of this country, and those whom I see before me, representing the vast agricultural and producing centers of the country, feel with us a common interest in those points which bind us together as a united people, and in glorifying that century which is now about closing upon our country. [Applause.]

I accept, Mr. President, the tender of the hospitalities of the city of New York, and I am sure that while my friends of the National Board of Trade are here with you they will not only derive profit and pleasure from your example, but will go to their homes influenced by the lessons they are taught here, to awaken their own centers to an emulation which may in time place them upon an equal eminence with you. [Applause.]

The PRESIDENT: It will be first in order to ascertain who are present, and the Secretary will call the roll, and delegates present will answer as their names are called.

The Secretary read the list of delegates as far as presented, which was subsequently perfected as follows:

Baltimore Board of Trade.

Wm. S. Young, Israel M. Parr.

Baltimore Corn and Flour Exchange.

Charles D. Fisher, R. B. Bayard,  
Geo. H. Baer.

Boston Board of Trade.

Joseph S. Ropes, John W. Candler,  
Benjamin F. Nourse, Jerome Jones.

\* Bridgeport (Conn.) Board of Trade.

David M. Read, Morris W. Seymour.

\* Buffalo Board of Trade.

E. P. Dorr, Frank A. Sears.

Chicago Board of Trade.

George M. How, John R. Bensley,  
George F. Rumsey, D. H. Lincoln,  
H. C. Ranney, A. N. Young,  
Chas. G. Cooley, T. T. Gurney.

Cincinnati Chamber of Commerce.

S. F. Covington, Benjamin Eggleston,  
Samuel Frank, Solomon Levi.

\* Dubuque Board of Trade.

L. D. Randall, John S. Hancock.

Detroit Board of Trade.

J. D. Hayes.

Kansas City Board of Trade.

R. C. Crowell.

Milwaukee Chamber of Commerce.

Wm. P. McLaren, Charles Ray,  
David Vance, John R. Goodrich.

Mobile Board of Trade.

H. D. Caesar.

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\* Bodies admitted to membership during the session.

LIST OF DELEGATES.

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Newark Board of Trade.

Edmund L. Joy, Phineas Jones.

New Haven Chamber of Commerce.

J. B. Sargent, E. S. Wheeler.

New York Board of Trade.

Geo. Opdyke, William Orton,  
Geo. W. C. Clarke.

New York Chamber of Commerce.

Saml. D. Babcock, J. S. T. Stranahan,  
Wm. E. Dodge, S. B. Chittenden,  
J. Austin Stevens.

New York Cheap Transportation Association.

Jno. F. Henry, Charles Watrous,  
F. A. Conkling.

New York Importers and Grocers' Board of Trade.

George W. Lane, David M. Turnure.

New York Produce Exchange.

Franklin Edson, Charles Spear,  
L. J. N. Stark, Edward Hincken,  
J. H. Herrick, Jno. H. Boynton,  
F. H. Parker, Theo. I. Husted,  
James McGee, Lewis Roberts.

Philadelphia Board of Trade.

Frederick Fraley, Henry Winsor,  
J. P. Wetherill, Clayton French,  
Jos. C. Grubb, Geo. L. Buzby.

Philadelphia Commercial Exchange.

Geo. W. Mears, C. J. Hoffman,  
Nathan Brooke, William Welsh.

Portland Board of Trade.

T. C. Hersey, A. K. Shurtleff.

Providence Board of Trade.

James M. Kimball, Royal C. Taft.  
N. W. Aldrich.

Richmond Chamber of Commerce.

R. E. Blankinship, A. L. Ellett.

**Scranton Board of Trade.**

J. A. Price.

**St. Louis Board of Trade.**

Edward Vernon, James E. Shorb.

**\* Trenton Board of Trade.**

Charles Hewitt, James Buchanan.

The SECRETARY: I have an application for readmission and the credentials of delegates from the Buffalo Board of Trade, which withdrew from the National Board of Trade a year since. I suppose it will have to be readmitted by vote.

Mr. HOW, of Chicago: I move that the Buffalo Board of Trade be readmitted to membership without the formal reference to the Committee on Credentials.

Mr. COVINGTON, of Cincinnati: I second the motion.

The motion being put was unanimously agreed to.

The PRESIDENT: The Secretary will now read the report of the Executive Council, which is next in order.

The Secretary read the report, as follows:

**EIGHTH ANNUAL REPORT.**

The Executive Council beg leave to submit at the outset of your deliberations their accustomed report of what they have accomplished, or sought to accomplish, in behalf of the Board since its last adjournment, and also such suggestions touching unfinished or new business as may be by them deemed proper for the consideration of the body, and generally, briefly reviewing important features of the commercial, financial and industrial interests of the country, as they appear to them at the moment.

Since the adjournment of the Board at Philadelphia, in June last, the Council have held a series of meetings in the city of Washington. It was deemed wise to delay that meeting until a later date than has hitherto been fixed for similar conferences, on account of the fact that it was supposed considerable time

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\* Bodies admitted to membership during the session.

would be consumed by the new Congress in organizing committees and other preliminaries for the active work of the session; hence, the Council was not called to meet until early in February, and then several of the members found it impracticable to be present; a quorum was, however, in attendance. As on all former occasions, your representatives were most courteously received, and their requests and petitions were treated with respect by the several committees before whom they had occasion to appear, and by the individual members of Congress. It, however, seemed to the Council quite evident that but little progress was likely to be made in important legislation during the present session, and the results thus far achieved appear to fully justify that conclusion. A few comparatively unimportant bills have been enacted into laws, while a vast number of measures are pending in the two branches. As matters of great importance, but not strictly in the line of legislation, are likely to absorb the attention of both Houses for a considerable time during the summer months, it seems quite probable important legislation must be deferred until next winter's session. In respect to financial matters, which have been so long pressing upon the attention of both Congress and the country, absolutely nothing has been done beyond devising a few temporary expedients, and that question remains in much the same position as at the last meeting of this body.

#### NATIONAL FINANCES.

The Board, at its meeting in Philadelphia, instructed the Council to consider what practical measures it might deem appropriate to carry into effect the suggestions embraced in the resolution adopted by the Board at that meeting respecting the currency, and authorized the Council to submit to Congress at its then approaching session, such measures as they might agree upon. The expression of the Board, so referred to, was to the effect that Congress be urged, at the earliest period practicable, to place suitable means at the disposal of the Secretary of the Treasury for the proper execution of the law providing for the resumption of specie payments at the time fixed by the Act of January, 14, 1875, namely, on the first day of January, 1879.

The Council at once placed this subject in the hands of an able committee of its own members, for the purpose of elaborating suggestions that might be considered at the meeting appointed

to be held in Washington, and if approved to be presented by the Council to Congress at that time. Unfortunately, the gentlemen composing that committee were detained from the meeting at Washington, and no report was received from them. The Council, however, discussed the subject, and examined the numerous propositions bearing upon it that had been introduced and were pending in Congress. The prospect for any early action on the question of specie resumption, favorable or otherwise, appeared at that time to be exceedingly unpromising, and subsequent events have confirmed the conviction that any special efforts to secure definite action in the direction of providing efficient measures to carry into execution the pledge of the government to place its currency obligations on a specie basis at the date proposed would at that time have been entirely fruitless; hence no measures were elaborated and presented to Congress, the Council deeming it more prudent to reserve any expression of opinion until a more favorable occasion.

#### MISCELLANEOUS CONGRESSIONAL ACTION.

Other subjects claimed the attention of the Board at Philadelphia, and on such as you indicated a wish to have the Council take action, your wishes and instructions have been observed, and your expressions on questions of a national character have been communicated, either to Congress at large by memorial, or pressed upon the attention of committees and individual members, as seemed most fitting in the judgment of the Council. In regard to the suggested amendment or reconstruction of the Shipping Act, which received the concurrence of the Board at Philadelphia, the Council were advised that later rulings of the Secretary of the Treasury of the United States had so modified the previous practices that were deemed objectionable by the Board, that there was less necessity for an entire revision of the law; the Council, however, felt called upon to, and did, urge the amendments recommended by the resolutions of the Board. They learned that a bill was pending in Congress, that, upon examination, proved to be very nearly in harmony with your recommendations, and urged the passage of it with some slight modifications.

The resolution referred to the Council respecting the Steam-boat Law of the United States was duly considered by it. A bill on this subject was also pending in the House of Representatives,

which the Council considered in its general provisions would be acceptable to the country with some small amendments of detail, and suggesting these, the adoption of the bill was recommended, and it subsequently passed the House.

The subject of reform in Bills of Lading and Railroad Receipts, also referred to the Council, was considered, and referred to a committee for report, which is expected to be submitted to the Board during its present sessions. This subject is again brought to your attention by a proposition on the programme for this meeting, and it is hoped some definite action may be taken which may prove effective in the abatement of the abuses which have grown up to formidable proportions in the character of modern evidences of property shipped. The attention of Congress, through the chairmen of the Committees on Commerce of the two branches, was called to the imperfect manner of extending articles of export on the manifests of vessels engaged in the foreign trade, in violation of law, and to the great inconvenience of those desiring correct statistics of our exports; and for this suitable remedies were invoked. This subject was also presented to the Secretary of the Treasury, who replied that the matter should be investigated and such remedies applied as the facts ascertained should seem to require.

The resolution of the Board on the subject of an international uniformity in weights and measures was communicated to the appropriate committee of the House of Representatives through Hon. S. B. Chittenden, a member of the committee, and one of the delegates to this Board, and it has doubtless received due consideration.

The modification and reduction of Postal rates on certain classes of mailable matter upon which a recent large increase of rate had been imposed, was urged upon the Senate Committee on Postoffices and Post Roads through its chairman. A bill had already passed the House of Representatives partially meeting the petition of the Board, still further modifications were asked for at the hands of the Senate, and it is hoped that the substance of the suggestions made by the Board may be realized in the amended bill before it shall finally become a law.

#### RECIPROCAL TRADE RELATIONS.

The Council found a joint resolution pending in the House of Representatives on the subject of commercial relations with the

Dominion of Canada, which upon examination proved to be much in harmony with the resolution on that question adopted by the Board, and while they communicated to Congress by memorial the exact text of the resolution so adopted, they felt it proper to lend such influence as they were able to do in favor of the proposition already in hand. That resolution, although ably supported by its author, Hon. Elijah Ward, of New York, failed to secure a favorable report from the Committee on Commerce, and the question remains without action. The subject is again placed on the programme for this meeting; proposing that this Board shall indorse the exact text of the proposition introduced into Congress by Mr. Ward, and the Council heartily approve the continued pressing of it upon the attention of the government.

The subject of improved commercial relations with the South American States, which was referred to the Council, has been placed in the hands of a committee, of which President FRALEY is chairman, and a report may be expected to be submitted during the present sessions.

#### SAVINGS BANKS.

The question of uniformity in the laws respecting Savings Banks, and looking to the greater security for depositors in the same, was considered by the Council, but it was not deemed wise to recommend action by the Board on the subject.

#### DIRECT IMPORTATIONS TO THE INTERIOR.

A few days after the adjournment of the Board, at Philadelphia, an order was promulgated by the Treasury Department of the United States in entire harmony with the resolution adopted by the Board in relation to allowances for damages on importations, under the Act of 1870, and the business of interior importers under that Act was immediately and satisfactorily restored to its status previous to the rulings of the Department complained of in the resolution.

#### BUSINESS TO BE CONSIDERED.

The Council have ordered placed upon the programme, for your further consideration at this meeting, the subject of the establishment of a Department of Commerce, and they trust the continued agitation of this question by the Board, and other

influences, may result in the early adoption of this most desirable measure.

In addition to the topics already alluded to, other propositions are presented on the programme for your consideration at the present meeting, many or all of which have a direct bearing on our commercial interests, and are well worthy your careful attention. Prominent among them may be named the subject of revision of the revenue laws of the country; both the Tariff and the Internal Revenue systems. This is a question of very great importance, and in view of the necessarily large amounts that must, for many years, be provided for by the government by some system of taxation, should command the intelligent thought of every citizen. It will not probably be questioned that the existing tariff laws are imperfect, incongruous, conflicting, difficult of comprehension, and in some of their features highly injurious and prejudicial to the development of the country; and it is no doubt true that, in many respects, both the Tariff and the Internal Revenue laws invite frauds upon the government by both the tax payer and the tax collector. The subject of national revenue and the best mode of adjusting our tariff laws has long been a source of wide differences of opinion among intelligent and patriotic statesmen, and it is hardly probable that whatever policy may be adopted will be accepted as final, and the discussion and agitation of the subject cease; nevertheless the temperate and considerate expression of the views of business men on the subject will tend to enlighten the public mind, and the better prepare people and legislators to accept such a disposition of it as may, on mature and wise deliberation, be finally arrived at.

The subject of Transportation in differing phases is also presented; including suggestions in regard to bills of lading and railroad receipts previously alluded to. Each of these will command due consideration and attention by the Board, and it is hoped may secure such expression as may lead to good practical results.

The subject of the establishment of scientific schools, and the revision of various laws relating to commercial interests are also brought to your attention.

There is also presented, as the first proposition of the programme, several amendments to the constitution of the Board, the object and propriety of which will doubtless be fully explained by the representatives of the constituent organizations in whose

behalf they are presented. It may, however, be proper to say, that these amendments have been considered by the Council and have met its approval, under the conviction that their adoption would be found to increase the efficiency and promote the usefulness of the Board, while, at the same time, it will tend to reduce the expenses on local organizations for the maintenance of the Board.

#### NATIONAL RETROSPECTION AND DUTIES OF AMERICAN CITIZENS.

The peculiar circumstances of our meeting at the present time, standing, as we are, among the expiring days of the first century of our national existence, are well calculated to induce a retrospection of the past in our history, and by a careful study of that which has gone before, and which is revealed to us in the light of its effects, be the better prepared to assist, as best we may, in moulding the institutions of our country. If prophetic vision could have revealed, with accepted certainty, to our fathers of 1776 the grand destiny which, within the short space of one hundred years, awaited the infant nation they were nursing into life amid anxieties, sacrifices, prayers and tears, it would have inspired their hearts, lightened their labors and strengthened their arms in the heroic struggle they felt was forced upon them, and while encouraging and cheering the bold and devoted patriot, who, cherishing exalted views of honorable self-respect and duty to country, and having reference to the welfare, political freedom and happiness of posterity, was willing to risk life, fortune, and social attachments upon the slender thread on which depended his hopes for national success, would also have enlisted in hearty coöperation the timid and wavering of those dark and trying days, adding immensely to the inherent power of the new born claimant for the world's recognition among the independent powers of the earth, and in the great family of nations. Truly upon our times have fallen the choicest of privileges, and to our generation has been given the enjoyment of the highest degree of human development known to the world's history. A kind Providence has permitted us to live in an age teeming with more of the conditions conducive to the happiness of mankind than any of which we have any record. The advances in civilization and knowledge of the arts and sciences, even within the past fifty years, have been so wonderful, that in recounting the evidences of them as

recorded in our own personal recollections, of how one after another of important and valuable discoveries and inventions have been brought into actual utility, and comparing them with the progress known to have been achieved in any former similar period, we are lost in amazement that so much of the world and nature's pre-existing possibilities should have lain for the long ages buried from human knowledge, and in these latter days have, as by the stroke of an enchanter's wand, burst upon our vision in a succession so rapid, and in perfection so grand and complete, as to dazzle and well nigh bewilder the reflective mind in their contemplation.

Within the memory of men yet in active life, the application of steam to the propulsion of vessels on the water and of vehicles on the land, to the operation of the printing press and the manifold forms of machinery for the production of fabrics of utility, and those which minister to the pleasure of the human race ; the electric telegraph, by which, as in the twinkling of an eye, we are enabled to converse, as if face to face, with our fellow-men throughout almost the whole of the civilized world ; numberless intricate, curious and valuable labor-saving appliances and faultless processes for facilitating the manufacture of articles of necessity and luxury ; and an endless variety of improvements in every branch of mechanism, have been introduced and made available for good. The world at large has shared in the general advance to these present times with a steady onward and upward tread, and all nations have come to occupy a higher plane of civilization and refinement ; but this progress has been in proportion to the increase of education among, and the freedom of, their people, and in no other country has the development of independent thought produced higher results or enjoyed a more unobstructed scope than in this Republic, which, in our patriotic ambition, we would strive to have become and be recognized as the grand model for human governments, and to which, when it shall have achieved its full measure of perfection and glory, we can proudly invite the criticism and emulation of the world. The American people, while ready to concede and free to commend and admire the good in any form of government, cannot repress the feeling, which we believe to be inborn in the human breast, that the highest attainments of civilization are those wherein the people are permitted to, and are capable of, selecting all of their rulers with reference to their fitness for the discharge

of the responsibilities laid upon them ; hence, we observe that in all those nations wherein the greatest degree of intelligence, the purest government, the least of oppression and the greatest amount of happiness and prosperity obtains, the march of events has been to bring the government and the governed into closer relations, so that all rulers, whether monarchical or republican, hereditary or elective, are tending more and more to study the popular will, and so shape their acts as to command the approval of even the humblest subject or citizen in the realm or state.

While these conditions apply to all forms of government, to a greater or less extent, in none are they more strongly interwoven than in one based, as is that of the United States, upon frequent expressions of the popular will ; therefore, it should be regarded as the highest of patriotic duty to endeavor to educate the public understanding, and even its prejudices, in those channels that will result in promoting the most lasting and permanent good to the present and future generations. Admitting that these public duties, when considered, are recognized by all our intelligent fellow-countrymen, still it must be confessed that a reliance on the general correctness of the public judgment, when fairly expressed, on questions of public concern, has led, in large measure, to so much of indifference in regard to passing, and perhaps minor, events, as at times to permit the baser elements of society to temporarily gain the ascendancy in the control of our governmental machinery ; and to such an extent has this carelessness been permitted to overcome the honest portion of our communities that in many cases, especially in the larger cities, the whole system has seemed to become debauched and given over to corruption and the various forms of political jobbery, while good citizens, heartsick at the spectacle, have been tempted to pronounce against a government, popular in name, but really the representative of the most debased portion of the body politic. In no instance, however, has this descending scale been long continued ere the people have become aroused, and in their might have arisen and hurled from power the leeches which have fastened to the vitals of the community, and again asserted their right to an honest government. No considerable community have developed a confirmed tendency towards degeneracy, and while many may have adopted serious errors in their governmental policy, we have seen such promptly corrected, so that it is safe to predict that under our system no lasting misgovernment

will long be tolerated while our people are permitted to enjoy the right to adopt such measures and elect such men to positions of public trust as their intelligent judgment may deem fitting. Our greatest threatening to-day is that the better classes of our communities, men of standing and character who desire only the highest degree of good to their country, will, by reason of their engrossing personal cares or from an aversion to what is termed "mixing in politics," permit the demagogue and the seeker for personal aggrandizement or support at the public expense to so operate the machinery by which the preliminaries are controlled that when he goes to the polls—if indeed he finds time and inclination to go at all—he learns that he has the poor choice of assisting to a place of responsibility and trust one of two or more who have preëmpted the field as candidates, or have been named as such by their own kind, neither of whom is known to him, or if known he recognizes in them men utterly unworthy of the positions to which they aspire, and perhaps neither of whom he would entrust with private business of importance requiring honesty and capacity; he hesitates between the proffered privilege of making the sorry selection or turning away in disgust, perhaps to denounce a system that makes him and other good citizens slaves in a cause in which they should, by the genius of our institutions—save by their own indifference and neglect—be the masters. The election passes; possibly the most unscrupulous of the array is elevated to office; and then begin schemes for plundering the public treasury, either for the officer's benefit directly, or indirectly by assisting the friends who packed the caucus or convention which tied the people's hands, or labored diligently in the so-called campaign which thrust him into power. Legislators of the higher order, municipal, state and national, are quite too often found to be engaged in schemes for private advantages at the public expense, that tend to demoralize and corrupt the public sensibilities to a most painful degree. Sinecures, both by election and appointment, abound, by which the public purse is depleted, and support provided for those who, in the true spirit of modern communism, claim a division of the public resources and the fruits of other men's toil, but who are too proud or indolent, or both, to labor for their daily bread, as a wise Providence designed the human race should be required to do.

Is this an overwrought or exaggerated picture of the opera-

tions, or rather the abuses of our political system as it is sometimes presented to our realization? Good citizens frequently palliate or excuse their inaction in opposing, or their coöperation in forwarding, schemes of questionable propriety, on the plea of partisan fealty, and because on some great national issue their sympathies are in harmony with the avowed principles of a certain party, they are slow to oppose or expose the disreputable elements within that party organization. The feeling of partisan alliance—commendable when it is made to mean coöperation by patriotic and honorable means for the attainment of patriotic and honorable ends—sinks to little less than political infamy when the party machinery is engineered in the interest of demagogues seeking to gorge themselves on the public plunder, and while echoing mere partisan platitudes, and vigorously wielding the party lash, coerces honesty into the support of corrupt measures and unworthy men. If the institutions of this country, even in small degree, are liable to be perverted to such base uses, and the temple of our liberties thus undermined, shall not the merchants, manufacturers, artisans, and representatives of every useful and honorable calling, awake to a full realization of the dangers of the hour, and their duty as citizens, and by a common consent unite heart and hand in such labor and effort as will effectually protect, watch and guard the fountain head of our social and political prosperity, and by an unselfish coöperation see to it that faithful, honest and intelligent men are placed and kept in positions of public trust? Do not the signs of the times and every impulse of patriotism imperatively demand that we educate ourselves to a greater care in efforts to secure, not only the adoption of sound principles of political economy to guide the destinies of the State, but also, as at least equally important, competent and honest representatives to carry the same into successful execution?

May we not, here assembled on the very threshold of a new century in our national life, and remembering the time honored declaration of our fathers, that to secure the enjoyment of life, liberty, and the pursuit of happiness, governments are instituted among men, deriving their just powers from the consent of the governed; and remembering also at what cost of privation, suffering and heroic blood our liberties were originally purchased and have been preserved to us to the present moment, dedicate ourselves to new efforts to secure, uphold and maintain an exalted

## TREASURER'S REPORT.

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standard of public and private morals, so that our country may realize the fondest hopes of its immortal founders, and continue to advance in all that is worthy of achievement.

Shall we not, each in his appropriate sphere of public duty—whether that duty seem to assign us to serve as privates in the ranks, or, on the demand of our fellow countrymen, we are called to assume the grave responsibilities of official trust—faithfully and vigorously labor for the honor and glory of this, the foremost republic of the age, to the end that we may, day by day, realize and enjoy the consciousness that we are contributing as best we may to the highest development and perfection of a form of government which, more than any other, inspires the hopes of mankind.

Respectfully submitted by vote and on behalf of the Executive Council.

FREDERICK FRALEY, *President.*

CHAS. RANDOLPH, *Secretary.*

NEW YORK, June 27, 1876.

The PRESIDENT: The report of the Treasurer will now be submitted.

The Secretary read the report, as follows:

## TREASURER'S REPORT.

June 15, 1875, to June 26, 1876.

## RECEIPTS :

Collections on account of Assessment of June, 1875.....	\$5,921 43
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## DISBURSEMENTS:

Balance due Treasurer June 15, 1875.....	\$3,425 42
Reporting and Printing Report of Philadelphia	
Meeting.....	1,373 28
Expenses attending Annual Meeting in Philadelphia, and meeting of the Executive Council at Washington .....	258 48
Printing Bills, Postage, Stationery, etc.....	250 41
	<u>5,307 59</u>
Balance in Treasury.....	\$618 84

CHAS. RANDOLPH, *Treasurer.*

NEW YORK, June 26, 1876.

This report was submitted to the Executive Council, by whom it was referred to a Committee consisting of

Mr. HOFFMAN, of Philadelphia, and Mr. NOURSE, of Boston, and it was approved by them. In regard to the balance that remained in the hands of the Treasurer at the close of the year, the Committee say:

"The Secretary and Treasurer made to the Board, a year ago, the very generous proposition to accept for his salary no other amount than that which might remain from the assessment then ordered, after payment of expenses, and he receives for his good services for the year only \$613.84."

Mr. COVINGTON, of Cincinnati: *Mr. President*,—I move that the recommendations of the Committee be agreed to. It is but carrying out an understanding that was had last year with the Secretary as to any surplus remaining at the end of the year just closed. You remember that at that time, or at least you who are members of the Executive Council will remember, it was very doubtful whether there would be anything left to pay the Secretary any compensation at all, but I am glad, sir, to know, and I believe that every member of this Board will be glad to know, that sufficient has been raised to meet all other claims and expenses, and that there is a small amount left. I hope that the report of the Committee will be received, and that their recommendation will be unanimously concurred in by this Board.

The President put the question, and it was unanimously agreed to.

Mr. STRANAHAN, of New York: *Mr. President*,—I observe that Mr. PETER COOPER, of New York, has taken a seat in this chamber. I move, sir, that he be invited to a seat beside the President.

The motion was unanimously agreed to.

The PRESIDENT: It gives me very great pleasure to welcome Mr. COOPER here, as I am sure it will the members of the Board.

Mr. COOPER, on being escorted to the platform, was received with applause.

The PRESIDENT: *Gentlemen*,—I have the honor of introducing you to my venerable friend, PETER COOPER, of the city of New

York, in every sense of the word a merchant and a manufacturer.

Mr. COOPER: I suppose it is but proper, gentlemen, for me to offer my thanks to you for the distinguished honor done me by being called to sit alongside of your President. I will not occupy your time longer at present; perhaps I may say something after I hear your discussions, if anything occurs to me that is proper to be said. [Applause.]

The PRESIDENT: The Executive Council, gentlemen, at a meeting in February last, deeming that the present occasion of the meeting of the National Board of Trade would be one of mark, not only in the history of the Board itself, but also in the history of the country, ordered sent to various commercial bodies in foreign countries cordial invitations to be represented in this meeting of the Board by delegates. Those invitations have to some extent been accepted, and there are now in this city representatives of the Associated Chambers of Commerce of Great Britain and Ireland, and also representatives from some of the continental commercial organizations, whom I am very glad personally to welcome here, and I am sure that I speak the sentiment of this Board when I say that you are all very glad to welcome them here. [Applause.] And I respectfully ask that those gentlemen who are thus accredited to us will be invited to take seats among us, and to participate in our deliberations.

A motion was made in accordance with the suggestion of the President, and it was unanimously agreed to.

The PRESIDENT: They are unanimously admitted, and the Secretary will, as far as he has received the names of delegates, announce them to the Board.

The SECRETARY: Credentials have been received appointing the following named gentlemen as delegates to this meeting:

*From the Associated Chambers of Commerce of the United Kingdom—*

J. LOTHIAN BELL, Esq., M.P.

HENRY MITCHELL, Esq., of Bradford.

FRANK WRIGHT, Esq., of Birmingham.

R. W. BINNS, Esq., of Worcester.

A. C. TWENTYMAN, Esq., of Wolverhampton.

PETER ESSLEMONT, Esq., of Aberdeen.

WILLIAM CLARK, Esq., of Bristol.

*From Lyons, France—*

MR. CHÂTEL.

*From the Trade and Industrial Society of Vienna, Austria—*

MR. EDWARD KANITZ.

MR. FRANZ WILHELM.

MR. FRANZ NOBLE WERTHEIM.

Acknowledgments of the invitation have also been received from other cities, and the hope was expressed in several instances that delegates would be in attendance at this meeting, but no other names have as yet been received.

The PRESIDENT: Under the regular order of business, gentlemen, as fixed by the Constitution, the next business will be the election of the officers of the Board for the ensuing year.

Mr. How, of Chicago: I would ask the unanimous consent of the body to consider a proposed amendment to the Constitution, which is the eleventh item of the series of amendments proposed, and is on the 5th page of the Official Programme.

The Secretary read the proposition, as follows:

Substitute the following in place of Article XI of the Constitution as it now reads, viz :

"The provisions of this Constitution may be temporarily suspended, except as to a quorum, at any meeting of the Board by unanimous consent of the delegates present and voting."

The PRESIDENT: The Board has heard the proposition of Mr. How, but before putting it I would make a suggestion which seems to me important in view of what may be done if the motion of Mr. How is adopted. There are several bodies asking to be admitted to membership in this Board; and it would be right, I think, that upon a question touching the fundamental law of the Board, that those bodies should, if possible, be admitted, so that in case of any alteration of the Constitution, they might be permitted to cast their votes for the new order of things. I would suggest, therefore, that time be permitted to appoint the

usual Committee on Credentials, and that those bodies who are seeking admission to the Board might appear at once before them, and as the Committee on Credentials have leave to report at any time, the matter of their admission could be settled without any unnecessary delay. If there be no objection to that course, I would appoint, as a Committee on Credentials, Mr. NOURSE, of Boston, and Mr. HOFFMAN, of Philadelphia.

The SECRETARY: The following applications for membership have been received—the Board of Trade of Bridgeport, Connecticut, the Board of Trade of Dubuque, Iowa, and the Board of Trade of Trenton, New Jersey.

Mr. PARKER, of New York: Would it be in order to move the appointment of an assistant secretary?

The PRESIDENT: I would receive such a motion.

Mr. PARKER: I would move the appointment of Mr. GEORGE WILSON, Secretary of the New York Chamber of Commerce, and Mr. R. S. SWORDS, Secretary of the Newark Board of Trade, as assistant secretaries of this Board during the present session.

The resolution was unanimously agreed to.

The PRESIDENT: Mr. How, of Chicago, now asks the unanimous consent of the Board to proceed to the consideration of the proposition which has been read.

Mr. How, of Chicago: Now I would move the adoption of that Article instead of Article XI of the Constitution as at present.

The motion was seconded.

The PRESIDENT: If this proposition be adopted, then, by the unanimous consent of the house, I would understand the other proposed amendments to the Constitution might be considered at once.

A DELEGATE: I would like to inquire the object of the changes proposed.

The PRESIDENT: There are upon the Official Programme, the first items, certain propositions which, if adopted, would work a fundamental change in the Constitution of the body, the object, as

I understand it, being that the Executive Council shall be differently constituted from the manner in which it is at present, and have considerably greater powers. It provides that there shall be elected from the body at large, a President and two Vice-Presidents of the Board and of the Executive Council, and that the other members of the Executive Council shall be constituted as proposed in these amendments. In order to fully understand them it will be requisite to read them in connection with the sections that are proposed to be changed. The present motion, however, is one to so amend the Constitution of the Board, that at any time by the unanimous consent of the members present at a meeting the provisions of the Constitution may be temporarily suspended for the purpose of taking action upon any special subject that would otherwise be out of order.

The rule in the present Constitution is a very rigid one, and if it remains in force the course will be that presently the Board will proceed to its organization under the old rule, and then if a revolution were worked in the Constitution afterwards by the adoption of these amendments, the work of election would probably have to be gone over again. The proposition of Mr. How, therefore, is before the Board, in which he asks unanimous consent to proceed to the consideration of this amendment, which the Secretary has just read, and which is to take the place of the Eleventh Article in the Constitution.

The proposition was discussed at some length by several gentlemen, the debate incidentally wandering to other proposed amendments; and finally objection being made to its further consideration at the present stage of proceedings, the President ruled that such objection was fatal to its consideration, and the regular order was resumed.

Mr. NOURSE, of Boston, from the Committee on Credentials, reported as follows:

In the case of the Bridgeport (Conn.) Board of Trade, the Committee find that it was organized in 1874, under State laws and in conformance with the Constitution of the National Board of Trade, and they report in favor of the admission of the Bridge-

port Board of Trade and the approval of the credentials of the delegates:

The PRESIDENT: You have heard, gentlemen, the report of the Committee on Credentials as to the admission of the Bridgeport Board of Trade, of Connecticut. What is your pleasure?

On motion the report of the Committee was unanimously adopted, and the Bridgeport Board of Trade declared duly elected to membership.

Mr. NOURSE: *Mr. President*,—We find upon examination of the matter of the Dubuque Board of Trade, that this Board, although regularly organized, and presenting us with copies of its articles of association and incorporation, has been organized less than the twelve months required by the Constitution of the National Board of Trade, and the Committee in this case can only follow the precedent heretofore established of proposing that the delegates be admitted to seats in the Board with the privilege of debating but not of voting.

The SECRETARY: *Mr. President*,—I think that it is due to the Dubuque Board of Trade that I should make an explanation. This body is well aware that the Dubuque Board of Trade was a member of this organization for several years, until two or three years since, when, as I understand, it fell away until it became virtually disbanded. During the past year substantially the same gentlemen have reorganized under the name of the Dubuque Board of Trade, and they proposed to apply here for admission. I cited to them — as I have done also to one or two other organizations who were similarly situated, and who were proposing to apply for admission at this time — the action of the Board last year; but at the same time called attention to those propositions on the programme which have now been laid aside, and stated that if a body presented itself that was eligible in all respects except as to its age, the Constitution would probably be so far suspended that it would be admitted, and especially as to the old members reorganized, or where it was only a question of a few months. Of course I did not engage with them that it would be done, but I told them that I had reason to believe that, everything else being satisfactory, the Constitution would be so arranged that they would be admitted to full privileges.

The PRESIDENT: In what form will Mr. NOURSE now make this motion?

Mr. NOURSE: Under the Constitution as it now stands, Mr. President, the Committee on Credentials are unable to report any further in favor of the admission of the Dubuque Board of Trade than to move that its appointed delegates be accorded seats in the Board. The articles of incorporation intended to be adopted by this association have not yet been adopted, as we learn from the delegates; the work is yet incomplete in its new organization, if we have ascertained the truth of the case; and while we desire to welcome back the Dubuque Board of Trade into association with the National Board, we find ourselves forbidden by the articles of the Constitution, as they now stand, to report in favor of it, and therefore the Committee report in that way, with the recommendation that the delegation be unanimously admitted to seats, with the privilege of speaking but not of voting, because prohibited by the Constitution as it now stands.

Mr. COVINGTON, of Cincinnati: May I inquire if this is a new organization, or merely a reorganization of the old Board?

The SECRETARY: I was advised, sir, that it was a reorganization of substantially the same gentlemen under the same name.

Mr. COVINGTON: Could not the Board recognize the absence of these gentlemen from this Board as a mere suspension, and admit them again to full privilege?

The PRESIDENT: I think not, under the strict construction of the Constitution. It is somewhat like the story of the old stockings that were darned till they became entirely different from what they were originally, but still some people insisted they were the same old stockings. I think, under the circumstances, it would be safer to follow the course suggested by the Committee, to admit these gentlemen to seats in the Board, with the privilege of debating, but not at present with the right to vote. I will put the question, therefore, in that form.

The motion was unanimously agreed to.

Mr. HOFFMAN, of Philadelphia: I move that we proceed to the election of a President.

The motion was adopted.

The President called Vice-President COVINGTON, of Cincinnati, to the chair, pending the election.

**THE VICE-PRESIDENT:** *Gentlemen*,—The business now before the Board is the election of a President for the ensuing year.

**MR. STRANAHAN**, of New York: Mr. Chairman, I beg to nominate for President, **MR. FREDERICK FRALEY**, of the Philadelphia Board of Trade. [Applause.]

**MR. NOURSE**, of Boston: I second the nomination.

**MR. HOW**, of Chicago: I move that the nominations close.

Unanimously agreed to.

The Vice-President appointed **MR. BAYARD**, of Baltimore, and **MR. HOW**, of Chicago, to act as tellers.

After the collection of the ballots, the chair announced the result as reported by the tellers, as follows:

Whole number of votes cast 50, necessary to a choice 26, of which **FREDERICK FRALEY** has 49, and there is one rather suspicious vote for **MR. STRANAHAN**. I therefore declare **MR. FRALEY** elected President of the National Board of Trade for the ensuing year. [Applause.]

**THE PRESIDENT, pro tem.**: **MR. STRANAHAN** and **MR. NOURSE** will please conduct the President to the chair.

**MR. STRANAHAN**, of New York: I beg, sir, before proceeding further to make this vote unanimous. It is a very great disappointment to me, to be sure [Laughter], but I beg you, sir, to allow me to move that the election of **MR. FRALEY** be made unanimous.

**THE PRESIDENT, pro tem.**: **MR. STRANAHAN** moves that the election of **MR. FRALEY** be made unanimous.

Agreed to.

**VICE-PRESIDENT COVINGTON**: **MR. FRALEY** has been unanimously elected, and before he takes the chair I desire to say to the

Board that they have done themselves an honor to elect him for nine years successively President of this Board,—they have complimented themselves as well as Mr. FRALEY. [Applause.] And now, gentlemen, though a matter of form, I beg to introduce to you the Hon. FREDERICK FRALEY, your President for the ensuing year.

The PRESIDENT: I am afraid, gentlemen, that with the thermometer so near the freezing point [about 97°, Sec'y], I can hardly get up enthusiasm enough to thank you properly for this renewed honor that you have conferred upon me. I have had so much pleasant intercourse with the members of this Board, I have learned so much from them, both of men and things, that I have had abundant reward for anything that I have been able to do to promote the prosperity and welfare of the National Board of Trade; I can, therefore, only renew the promise which I have given to you before, that so far as time and opportunity are afforded to me to further your deliberations, for the good of the brotherhood, for the good of the country, all the energies of my mind and body are at your disposal. [Applause.] Again, I thank you, gentlemen, for your kindness.

Mr. BAYARD, of Baltimore: *Mr. President*,—I move that the further election of officers be dispensed with for the present, and that the Board proceed with the consideration of other business in the regularly appointed order.

Mr. STRANAHAN, of New York: *Mr. President*,—If the gentleman will allow me, I have a social duty to perform. The New York members of this Board desire to tender an excursion about our harbor to the delegates of the National Board of Trade, and if acceptable, a boat will be found at the foot of Twenty-third street, East river, to-morrow afternoon at one and a half o'clock. The tickets can be obtained from the Secretary. I trust, sir, that you will not deny us the pleasure of showing you our beautiful and useful harbor.

The PRESIDENT: The Board has heard the invitation so heartily tendered by Mr. STRANAHAN, on the part of the New York Commercial Associations. What is your pleasure?

Mr. CANDLER of Boston: I move that the invitation be accepted, sir, with thanks, and that we go down and look at the harbor of New York.

The PRESIDENT: It is moved that this invitation be accepted with thanks, and that the Board proceed at the hour named to inspect the beautiful harbor of New York.

The motion to accept the invitation was adopted.

Mr. STRANAHAN: I will add that the boat will leave Wall street Ferry for the accommodation of our friends engaged in business down town, at one o'clock, and then be at the foot of Twenty-third street at one and a half o'clock. And now, sir, I have another pleasing duty to perform of the same nature, and I suppose force of habit will make it quite easy for this body to accept this invitation. We propose a banquet at Delmonico's on Thursday, at six and a half o'clock. We pray you to be with us on that occasion.

The PRESIDENT: The Board has heard the further invitation offered it from our friends of New York, to be present with them at a banquet at Delmonico's, at half past six o'clock Thursday evening.

On motion the invitation was accepted.

The PRESIDENT: There are some other communications of courtesy. If there is no objection the Secretary will read them.

The Secretary then read a communication from Gen. John H. Newton, of the United States Engineering Department, inviting the Board to visit the Government works at Hallett's Point.

The SECRETARY: Assistant Secretary WILSON, of New York, advises me that in behalf of the Board he has accepted this invitation, and that the excursion to-morrow will take Hallett's Point in its course.

The Secretary read a communication from the New York Historical Society, inviting the Board to visit the library, museum and gallery of art of the Society. Also, a communication from the Maritime Association, of the city of New York, inviting the members of the Board to visit and make use of the rooms of that association during their stay in New York.

These invitations were accepted, with the thanks of the Board.

The PRESIDENT: Mr. BAYARD has made a proposition that the election of Vice-Presidents shall be postponed for the present. The same difficulty occurs in regard to this motion that applied to the motion of Mr. How, viz: If any objection should be made to it at all, I do not think that it could be properly put to the Board. If it be received by unanimous consent it can be put.

Objection being made, a motion to proceed to the election of Vice-Presidents was adopted.

The PRESIDENT: The Secretary will read the list of organizations, and each one can nominate a Vice-President. Nominations are in order.

The Secretary then called the roll of constituent bodies, and the following nominations were made:

*For the Baltimore Corn and Flour Exchange*—R. B. BAYARD.

*For the Boston Board of Trade*—JOHN W. CANDLER.

*For the Buffalo Board of Trade*—E. P. DORR.

*For the Chicago Board of Trade*—GEO. M. HOW.

*For the Cincinnati Chamber of Commerce*—S. F. COVINGTON.

*For the Detroit Board of Trade*—J. D. HAYES.

*For the Kansas City Board of Trade*—R. C. CROWELL.

*For the Milwaukee Chamber of Commerce*—W. P. McLAREN.

*For the Newark Board of Trade*—EDMUND L. JOY.

*For the New York Board of Trade*—WILLIAM ORTON.

*For the New York Chamber of Commerce*—J. S. T. STRANAHAN.

*For the New York Cheap Transportation Association*—JOHN F. HENRY.

*For the New York Importers' & Grocers' Board of Trade*—D. M. TURNURE.

*For the New York Produce Exchange*—FRANKLIN EDSON.

*For the Philadelphia Board of Trade*—C. J. HOFFMAN.

*For the Philadelphia Commercial Exchange*—C. J. HOFFMAN.

*For the Portland Board of Trade*—T. C. HERSEY.

*For the Providence Board of Trade*—WILLIAM GROSVENOR.

*For the St. Louis Board of Trade*—EDWARD VERNON.

Other bodies, as called, declined to make nominations, and some of the gentlemen named were proposed by delegates representing other bodies.

The PRESIDENT: Mr. WETHERILL, of Philadelphia, and Mr. RANNEY, of Chicago, will be good enough to act as tellers in this election. The members will please vote for fourteen only.

Mr. STRANAHAN, of New York: *Mr. President*,—May I have your ear for one moment? I forgot just now to say how happy we would be if the delegates from abroad would bring their ladies with them when they come to see our harbor. I make that invitation now, and hope that as many as have their ladies or families with them will bring them to the boat at half past one o'clock to-morrow. We would be right glad to see the ladies.  
[Applause.]

The tellers, having completed their canvass of votes for Vice-Presidents, submitted their report, which was as follows:

J. S. T. Stranahan .....	43
Franklin Edson .....	42
John W. Candler .....	40
C. J. Hoffman .....	40
S. F. Covington .....	39
J. D. Hayes .....	38
T. C. Hersey .....	37
George M. How .....	36
R. B. Bayard .....	35
Wm. P. McLaren .....	33
Wm. Grosvenor .....	30
Edmund L. Joy .....	25
R. C. Crowell .....	23
E. P. Dorr .....	21

Edward Vernon .....	21
John F. Henry.....	19
D. M. Turnure .....	13
William Orton.....	7
T. H. Price.....	1
B. F. Nourse.....	1

The first named thirteen gentlemen having received a majority of all the votes cast, they were declared duly elected Vice-Presidents of the Board. There being a tie as between Messrs. Dorr and Vernon, it was, on motion, voted that the Board proceed to the election of another Vice-President.

**Mr. NOURSE:** *Mr. President*,—Are nominations in order?

**The PRESIDENT:** Yes, sir; nominations are in order.

**Mr. HOFFMAN**, of Philadelphia, inquired whether the vote was not to be confined to the gentlemen who had received a tie vote — **Messrs. VERNON**, of St. Louis, and **DORR**, of Buffalo.

**The PRESIDENT:** You may select between them, or may select another person. You are not limited to vote for them.

The tellers collected the votes again, and reported :

The whole number of votes cast is thirty, of which Mr. DORR has twenty-three, and Mr. VERNON seven. Necessary to a choice, sixteen. The tellers therefore report Mr. DORR elected.

**Mr. How**, of Chicago: I move that when the Board adjourns, it adjourns to meet to-morrow morning at ten o'clock, and that thereafter the sessions of the Board be from ten o'clock in the morning until four o'clock in the afternoon.

This motion was amended, fixing the hour of assembling at nine instead of ten o'clock, and as amended was agreed to, but was subsequently reconsidered and changed back to the original motion to meet at ten and adjourn at four, unless otherwise ordered, and in that form was finally adopted.

The PRESIDENT: The next business is the first proposition on the programme, which proposes an amendment to our Constitution. The Secretary will read it.

The SECRETARY: Amend Section 1 of Article III, by inserting as the first words of the section, "At all meetings of the Board," so that the first clause will read as follows:

"Article III, Section 1. At all meetings of the Board each delegate shall be entitled to one vote in person, but no voting by proxy shall be allowed."

The PRESIDENT: The proposed amendment is now before the Board.

The amendment was agreed to; yeas 37, nays 3.

The PRESIDENT: The next amendment will be read.

The Secretary read the next amendment, as follows:

Second. Amend Section 1 of Article IV, so that it shall read as follows:

"The administration of the affairs of the Board shall be vested in a President, a First and Second Vice-President (who shall be deemed to represent the Association at large), and one delegate representing each constituent body in membership in the Board, who, together, shall constitute and be known as the Executive Council, and shall serve until their successors are chosen. Ten of their number shall be a quorum for the transaction of business. The President and two Vice-Presidents shall be elected at each meeting of the Board, called by vote of the Executive Council. Their election shall be by ballot, and a majority of all the votes cast shall be necessary to a choice. Their election shall be the first business in order after the submission of the reports of the Council. They shall serve as President and Vice-President of both the Board and the Executive Council. In the absence or disability of the President, a Vice-President—having precedence in their numerical order—shall serve in his stead: and in the absence of the President and both of the Vice-Presidents, the Executive Council shall designate one of their number to serve as President *pro tempore*. The members of the Executive Council, serving as representatives of constituent bodies, may be designated by the associations they respectively represent, or may be chosen by each delegation in manner to be determined by themselves; and in case of the attendance of but one delegate representing a constituent body, he shall be *ex-officio* a member of the Executive Council."

The section as it now stands was also read.

Mr. EDSON, of New York: *Mr. President*,—The gentleman from Newark (Mr. Joy) has asked for a brief explanation of what is

intended by these alterations to the Constitution. In the first place, I will state that this proposition was brought to the notice of the Executive Council last winter, at Washington, by myself, under instructions from the Produce Exchange, of New York, which I represent, for the purpose of reducing the cost of carrying on the organization, without decreasing in the slightest respect its efficiency, or in any way prohibiting meetings like this—when questions of considerable public importance need to be considered. The Executive Council appointed a committee to prepare these alterations of the Constitution to conform with the views of the Executive Council as expressed at the meeting in Washington. That committee consisted of Mr. How, of Chicago, and myself. These amendments have been prepared for the purpose of accomplishing just that object, viz: of reducing the cost of carrying on the Board, without reducing in the slightest degree its efficiency as an organization. If these amendments are adopted it obviates the necessity of holding annual conventions of the whole of the delegates, as at present, except those which are elected as delegates to the Executive Council by the constituent bodies. These alterations have been prepared with considerable care, and with as much simplicity as possible, in order to accomplish the result I have named, which we think they do, and which we think the delegates will understand by simply reading them over in connection with the Constitution as it now stands. They speak very plainly for themselves; there is nothing covered up in them; it is plain and straightforward throughout.

The question on the adoption of this amendment and the following one proposed, to wit:

Section 2 of Article IV, *a new section*—

"The Executive Council shall hold at least one regular session annually, at such time and place as may have been previously agreed upon by vote. It shall be authorized to consider and act upon, in behalf of the Board, original questions or business in the same manner as the Board itself, except that questions may be submitted and forwarded to the Secretary by constituent bodies or by members of the Council thirty days in advance of the meeting at which it is to be considered, and shall be communicated to members of the Council by the Secretary, at least twenty days previous to such meeting. On all questions before the Council, each member shall be entitled to one vote in person, and on the demand of three or more members a vote by yeas and nays shall be had, in which the President and each of the Vice-Presidents

shall be entitled to one vote; and members representing constituent bodies shall each be entitled to the number of votes the Association he represents was entitled to in the Board at the last preceding meeting"—

was discussed at great length by Messrs. BAYARD, of Baltimore; VERNON, of St. Louis; McLAREN, of Milwaukee; HAYES, of Detroit; CANDLER, NOURSE, and ROPES, of Boston; HOFFMAN, WETHERILL, GRUBB, and WINSOR, of Philadelphia; and EDSON, of New York; the two propositions being considered by several of the speakers as parts of the same general plan, while others, notably Mr. BAYARD, favored the substance of the first but opposed the second of the two propositions. The general feeling appeared to be that the adoption of the Section defining the duties and powers of the Executive Council would or might tend to supplanting the meetings of the full Board, and a delegation of its duties and privileges to the Executive Council.\*

[The first of the two propositions was lost, and the second ordered to lie upon the table.—SEC'Y.]

Mr. HAYES, of Detroit: I move that the other amendments to the Constitution be laid upon the table.

Mr. HOFFMAN, of Philadelphia: I hope, Mr. President, that the gentleman will not insist upon that motion. The amendments which follow will cover the very objects which the Chicago and New York associations desire; and I assure you that it is the feeling in my own Board very much that they want the expenses curtailed. It is not the expense of the delegates coming to the meetings, that my friend from Boston has alluded to, that are complained of, as, I take it, it is the assessment laid upon the body yearly. The Chicago Board of Trade has twelve or fifteen hundred members on which to pay assessments every year, besides the expenses of sending her delegates. Now, there are years when it is not necessary to have a meeting of the

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\* The debate on these amendments, while of interest to the organization itself, is not deemed of that public interest which would justify its extended report in this volume, which from necessity must be confined to the narrowest limits consistent with an attempt to fairly represent the debates on public questions.—SEC'Y.

National Board of Trade. Let us take up the propositions which contain the objects which our friends from New York and Chicago desire.

Mr. FRENCH, of Philadelphia: I protest against the statement made by the gentleman from Philadelphia, as applying to the Philadelphia Board of Trade. He should have said the Commercial Exchange, and not the Board of Trade. As a member of the Board of Trade, I have heard no complaint; the assessments have been cheerfully paid, and, I have no doubt, will be in the future.

Mr. HAYES withdrew his motion to lie upon the table, and the Secretary read the fourth proposition, as follows:

Fourth—Consolidate Sections 2 and 3 of Article IV, as they now stand, into new Section 3.

Mr. HOFFMAN, of Philadelphia, moved to lay this proposition on the table, which was agreed to.

The Secretary then read the fifth proposition, as follows:

Add to Section 4 of Article IV: "Which call shall state the object of the meeting."

A Delegate: I move the adoption of that amendment.

Which, after brief debate, was agreed to.

The next proposed amendment was read and adopted, as follows:

Amend Section 1, Article V, as follows: Strike out the word "annual" from the second provision of the Section, and substitute the word "regular" for the word "annual" in the third provision of the Section.

The Secretary read the next proposition, as follows:

Amend Section 4, Article VI, so that it shall read: "Notice of meetings of the Board shall be served by the Secretary on each constituent body at least thirty days before the time appointed for assembling. The notice shall state the object of the meeting, and the questions to be considered."

The amendment was agreed to.

The next proposition was read and adopted, as follows:

Amend Section 2, Article IX, by striking out "an annual meeting," and inserting instead, "any meeting of the Board or of the Executive Council."

The next proposition was read, as follows:

Amend Section 3, Article IX, by striking out the word "annual," as it occurs twice in the Section.

And it also was adopted.

The Secretary read the tenth proposition, as follows:

Amend Section 1 of Article X, by striking out the word "annual."

Mr. NOURSE: As a matter of form, I move to amend the amendment by substituting the word "any" for the word "annual."

The amendment of Mr. NOURSE was agreed to, and the amendment as amended was adopted.

The Secretary read the next proposition, as follows:

Article XI.—Substitute the following in place of the Article as it now reads, viz.: "The provisions of this Constitution may be temporarily suspended, except as to a quorum, at any meeting of the Board, by unanimous consent of the delegates present and voting."

The PRESIDENT: That would take the place of the present cumbersome section, which was made to meet a supposed emergency, which came up at Philadelphia at the organization of the Board.

The amendment was adopted.

Mr. BAYARD, of Baltimore: I would call attention to the fact that in pursuance of the amendments made to the Constitution, we should make corresponding amendments in the By-Laws.

Mr. HAYES, of Detroit: I suppose the first business to come up to-morrow morning will be the consideration of the very important subject of the establishment of a Department of Commerce. As I had the honor of presenting that subject before the Executive Council in Washington, I have taken the pains to

prepare some statements in regard to it, and to do justice to it I shall have to ask for more than ten minutes' time, as I cannot present the subject properly in that time.

The PRESIDENT: I am sure the Board will extend the privilege of time to the gentleman.

Mr. Joy, of Newark: I see that the next proposition on the programme is from the Newark Board of Trade, which I represent. I move that we take it up, and will simply state why the amendment was proposed. It was thought, as we were going through the Constitution, that there seemed to be some doubt as to what this Board regarded as a Charter, and there being several States which do not grant special charters, we thought it better to present this amendment, it not being plain in the present Constitution just what is required of local bodies.

The Secretary read the amendment, as follows:

Amend Article II of the Constitution by adding the following:

"Section 3.—Any local Board, organized in any State where Special Charters cannot be had, shall be deemed to comply with the provisions of this Article by filing with this Board a copy of its Articles of Association under State law, and of its Constitution and By-Laws."

The amendment was agreed to.

A DELEGATE: I move that the Board adjourn.

The motion was carried.

The PRESIDENT: The Board is adjourned until to-morrow (Wednesday) morning, at ten o'clock.

## SECOND DAY.

WEDNESDAY, JUNE 28, 1876.

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The Board met at ten o'clock, President FRALEY in the Chair.

The PRESIDENT: We have with us this morning, representatives of the Dominion Board of Trade, of Canada, and it gives me very great pleasure to welcome them to this meeting, and to introduce them to you in the hope of renewing those fraternal relations that have existed between us for so many years. [Applause.] We rejoice in their presence, we rejoice in the prosperity of their country, and we hope that the relations between them and us will continue to become closer and closer, so that although there may never be the bonds of political ties between us, there shall be those of fraternal concord and union, and that reciprocity of trade which will benefit both countries to the largest extent and minister to the common welfare of the whole English speaking people of America. [Applause.]

I have the pleasure of introducing to you Mr. ROBERTSON, the Chairman of the Delegation and President of the Dominion Board of Trade. [Applause.]

Mr. ANDREW ROBERTSON, of Montreal: *Mr. President and Gentlemen,—It becomes my duty, as President of the Dominion Board of Trade, to thank you for the kind, warm and cordial greeting you have been pleased to extend to us from across the border. I am sure I only express the feelings of my colleagues when I say that we accepted your invitation with the greatest pleasure, and I am only sorry that our delegation on the present occasion is smaller than it was expected to be; we regret the absence of two or three gentlemen well known to many of you. I refer to Mr. JOHN YOUNG, of Montreal; Mr. HENRY FRYE, of Quebec; and our late President, Mr. HOWLAND. These gentlemen expected to have been here, but Mr. HOWLAND has been called to England, and the others have been unavoidably detained by business. I am quite sure, from the interest they have taken in the*

preceding meetings of your Board in other cities, they will watch your proceedings here with great interest, and though they are absent from us in person they will be with us in spirit. I will not take up your time at present by referring to any of the important questions that it may be proper, perhaps, to speak on further on in the meeting. In regard to our commercial relations referred to by the President, I may say that if opportunity is presented during the course of the meeting, something may be said on this question by some of my friends. In the meantime, I will only remark that we have come to this meeting with anticipations of a great deal of pleasure. Possibly we would enjoy it more if it was not quite so warm, as we, being Northern men, are not accustomed to this sort of weather. We will, however, watch your proceedings with interest, and, learning your wants, try to see if we can bring our views together. And I join with the President in expressing the hope that the good feeling which has always existed between the National Board of Trade and the Dominion Board of Trade will never cease.

The delegates in attendance as representatives of the Dominion Board of Trade, were Mr. ANDREW ROBERTSON, President, and Mr. W. J. PATTERSON, Secretary, of Montreal, and Messrs. THOMAS WHITE, Jr., of Montreal, S. W. FARRELL, of Toronto, and S. H. GRANT, of Quebec, all of whom were invited and took seats on the platform.

The PRESIDENT: I have now another very pleasant duty to perform, gentlemen. It will be remembered that I announced yesterday, that the Executive Council desiring that this meeting of the National Board of Trade should be marked with an expression of fraternal feeling throughout the world if possible, had invited representatives from Boards of Trade and Chambers of Commerce in continental Europe and the islands of Great Britain and Ireland to meet with us on this occasion. We have several gentlemen here to-day from those bodies, and it gives me very great pleasure to introduce to you, Mr. WRIGHT, of Birmingham, England, who represents in part the Associated Chambers of Great Britain and Ireland. We enjoy very intimate relations with the people of that country. I believe a very large, if not the largest,

proportion of the trade of Great Britain is with the United States ; and then we have the old relations of a common lineage, common literature, and common language, and we have also, to a very great extent, modeled the institutions of our own country, so far as liberty and freedom are concerned, after those of Great Britain. I am sure you will welcome the representatives of Great Britain to this meeting with all the cordiality that I can, in your name, tender to them. [Great applause.]

Mr. FRANK WRIGHT, of Birmingham : *Mr. President and Gentlemen,—* I thank you sincerely for your courteous and cordial welcome to myself, as well as my fellow delegates from Great Britain. I am sure I feel it a privilege and an honor to be permitted to attend a meeting of a Board of so much importance as your own, and a meeting like the present one, which doubtless will have a large and beneficial influence upon the trade of this and other countries. I can truly say that we feel grateful to you for the invitation that you extended to Great Britain, and we trust, too, that our present meeting together may not be without some mutual advantage. No doubt there are many questions upon which, by conference, and talking them over together, we may be able to enlarge our views, and gain material benefit, and perhaps some advantage would result to both countries. There is, I think, a large field still yet untouched, a large field for increased commerce which may be opened up between the two countries. I believe both the exports from Great Britain into this country, and the exports of your country to Great Britain, may be very largely increased, especially when some of the great principles of commerce — the principles of free trade — are more fully comprehended. It may take you a long time, as it did us, to learn the principles of free trade ; England had, as it were, to be starved into the lesson. This country may not have to be starved into it, but I trust and believe that with more intimate acquaintance with this great principle, it may come to be more and more adopted in this country. I cannot help referring, sir, to this Centennial year, and compare this time with a hundred years ago. This is a glorious time to you, and we in England can heartily join in congratulating you on the celebration of that glorious event — the Declaration of Independence. [Applause.] We can do so, sir, without the least feelings of jealousy whatever, and I think that the contrast between then and now is most

favorable. As we look at one hundred years ago, when through the folly of an unwise king, through the shortcomings of a foolish government, your independence was established,—no doubt to our mutual benefit—as we look back upon the bitter feelings that at that time were existing between the two countries, feelings which led to a war which was justifiable—if war ever was justifiable—on your part. I say it is a good thing to contrast that time with this, when you send over an invitation to our country for our representatives to visit you and talk over questions that may be mutually advantageous. [Applause.] The influence of commerce has ever been in the van and forefront of civilization; so I trust that the banners of the Stars and Stripes and the Union Jack, united together, may go forth to win fresh and more glorious victories in the future than they have done in the past. [Applause.]

The PRESIDENT: The next business in order, gentlemen, will be the reports of committees, if there are any to be made.

Mr. NOURSE, of Boston: *Mr. President*,—The Committee on Credentials make further report, and recommend that under the amendment of Article XI of the Constitution, adopted yesterday, the Dubuque Board of Trade be admitted to full standing in the Board, having filed a copy of its Articles of Association. The Committee recommend that the Board, by unanimous consent, suspend the provision of the Constitution restricting the admission of delegates to twelve months' membership in their own body, for the purpose of admitting the delegates of the Dubuque Board of Trade to full privileges; and further, the Committee report that they have examined the credentials presented by the Trenton Board of Trade, and find them in proper order, and recommend that the body be admitted to membership, and that the delegates be admitted to full privileges.

The PRESIDENT: The Board has heard the report of the Committee on Credentials, which is substantially that the Dubuque Board of Trade be admitted to full membership in this body under the amendment to the Constitution adopted yesterday.

The recommendations of the Committee were unanimously concurred in.

The PRESIDENT: The Dubuque Board of Trade is now

admitted to full membership, and the delegates have a right to vote and be heard on all questions. The further report of the Committee is that they have found the papers and credentials of the Trenton Board of Trade in accordance with the requirements of the Constitution, and they report in favor of the admission of that body to membership, and the reception of the delegates.

This report was also unanimously agreed to.

Mr. NOURSE: And, Mr. President, the Committee report for the purpose of record, the withdrawal of two constituent bodies from membership in the National Board of Trade:—the Boston Commercial Exchange because of its incorporation with the Boston Board of Trade, and the Wilmington Board of Trade. Both of these bodies have paid all assessments upon them.

The PRESIDENT: The Board has heard the further report of the Committee—that the Boston Commercial Exchange has gone out of the membership on account of having become fused with the Boston Board of Trade, and that the Wilmington Board of Trade also desires to withdraw. Those bodies have complied with the Constitution. Those withdrawals will be properly recorded.

Mr. HENRY, of New York: I beg to submit a report from the delegates from this Board to the Dominion Board of Trade.

The report was read at length, as follows:

*To the President and Members of the National Board of Trade:*

GENTLEMEN,—Your delegates appointed to attend the session of the Dominion Board of Trade, held at Ottawa, Canada, in January last, respectfully beg to report that but two of our number were able to attend, and they were received with every courtesy by the representatives of the Canadian Government and the members of the Dominion Board of Trade.

Not wishing to fatigue you with a lengthy report of the proceedings, which have already been printed in book form, and may be referred to at any time for details, we would, at this time, mention only a few acts of interest or international importance.

Your Delegates were formally received by the Board on the afternoon of the second day's session, and cordially welcomed by the President, the Hon. C. H. FAIRWEATHER, in a brief address, to which your Delegates responded with assurances of international accord and earnest desires for the conclusion of a treaty of reciprocity between the two countries at an early day.

Of the subsequent proceedings during the session, your Delegates would call attention to the following summary of acts of interest to us:

A resolution offered by Mr. ADAM BROWN, of Hamilton, prayed that the Canadian Government be memorialized to restore the ten per cent. differential duty on tea and coffee imported from the United States. After prolonged and exciting debate, this resolution was passed by a vote of 26 ayes to 11 nays.

The Hon. JOHN YOUNG introduced a resolution of great importance in reference to the matter of transportation and the enlargement of canals, which elicited a very general expression of opinion from the Delegates, favorable to increased facilities for international traffic, in which your Delegates participated by invitation, and the resolutions were unanimously adopted.

Resolutions were offered by Mr. ADAM BROWN, of Hamilton, to memorialize the Canadian Parliament to impose "reciprocal duties" on competitive merchandise coming into Canada from the United States. These resolutions, while so carefully worded as not to give offense, are, nevertheless, intended to place great discretionary power in the hands of the officers of the Canadian Government in putting prohibitive duties on American merchandise and products; and as they were regarded as, in some degree, adverse to the interests of reciprocity, they evoked a spirited discussion, which occupied nearly the whole of the third day's session, and were finally passed, with a few unimportant amendments and the incorporation of an additional clause, which urges the advisability of granting to the Governor General of Canada authority to impose additional duties on "any manufactured articles from foreign nations" on which any "bounties or drawbacks" were given or offered for the purpose of inducing sales.

On the fourth day the question of "Reciprocal Trade Relations" was briefly considered, and the following resolution was offered by Mr. JOHN WALKER, of London, Ontario, and passed without discussion:

"That this Board is of the opinion that it is very desirable that a Treaty of Reciprocity in Trade with the United States, on a comprehensive, liberal and fair basis, should be obtained; and is also of opinion that the initiatory steps thereto ought to be taken by the Government of the United States, seeing that it was by their action that the old treaty was abrogated."

A resolution was offered by Mr. WM. PENNOCK, of Ottawa:

"That the Dominion Government be urged to take such action as may result in securing the right of Canadian vessels to navigate American canals."

This resolution was passed after brief discussion.

At the close of the session resolutions were passed in compliment to your Delegates, and a vote of thanks was given to the Honorable the Speaker of the House of Commons for his courtesy in allowing the use of rooms for the meetings of the Board; and in this connection your Delegates cannot forbear to mention the deference paid by the Canadian Government to the deliberations of the Dominion Board of Trade, and the facilities extended to them on all occasions of their meetings, and especially the weight which the Parliament attaches to the resolutions and memorials of that body, to which they give the most respectful attention and consideration.

Your Delegates cannot conclude this report without taking occasion to return their thanks to the Dominion Board of Trade for the numerous court-

eesies extended to us by them, as also to the Honorable the Premier of Canada, for the hospitable reception accorded by him to ourselves and many of the Delegates to the Convention; and particularly to his Excellency, the Governor General of the Dominion of Canada, and his estimable lady, the Countess of Dufferin, for the magnificent entertainment given by them, to which your Delegates were cordially invited.

Respectfully submitted,

JOHN F. HENRY.  
J. D. HAYES.

The PRESIDENT: The next business in order would be resolutions intended for reference.

Mr. NOURSE, of Boston: *Mr. President*,—I would move to suspend the order of business, for the purpose of presenting a memorial and asking its reference to the Executive Council, that it may have early action, and, if approved, it can then be brought early before the Board.

The Memorial is as follows:

*To the Senate and House of Representatives in Congress assembled:*

The National Board of Trade of the United States, in session in the city of New York, addresses its Memorial to your Honorable Bodies, earnestly praying that silver coin may not be made a legal tender for any sum larger than five dollars.

I move, sir, that this be referred to the Executive Council for its action.

The Memorial was referred, as suggested.

The PRESIDENT: Are there any other resolutions of this character?

Mr. PRICE, of Scranton: *Mr. President*,—I beg to offer for reference to the Executive Council the resolutions which I hold in my hand. I will not presume to discuss them here. They are of immense magnitude, and I would like at some future time to hear an expression regarding them from the Board.

The proposition was read, as follows:

WHEREAS, Our commercial, industrial and financial prosperity is at all times subject to disturbance by the precipitant changes of general management and by the many vicissitudes incident to our imperfect political system; and

WHEREAS, The present loss of confidence and the unparalleled depression

upon the mercantile and manufacturing interests of the country are attributable more especially to the evils attending upon our political government; and

WHEREAS, The time has arrived in which the necessity of the hour demands that the treasury of the nation be made independent of tumultuous political association, and that our financial management be taken out of politics, as may be consistent with the established principles upon which our government is founded; therefore,

*Resolved*, That the National Board of Trade, by its own persistent efforts, and by recommendation to its various constituent bodies, to the National Congress and to the people of the country, for concerted action, endeavor to secure the following amendments to the Constitution of the United States:

SECTION 1.—The financial management of the United States shall be vested in one supreme board, and in such inferior boards as the Congress may from time to time ordain and establish. The managers both of the supreme and inferior boards shall hold their offices during good behavior, and shall at stated times receive for their services a compensation which shall not be diminished during their continuance in office.

SEC. 2.—The financial management shall extend to all cases of the collection of revenue, the disbursement of appropriations, the negotiation of loans, the keeping of Treasury accounts, and every department of the financial branch of Government arising under the Constitution, the laws of the United States, and the treaties made, or which shall be made, under their authority.

MR. PRICE: I ask that this be referred to the Executive Council.

The proposition was so referred.

Mr. CONKLING, of New York: *Mr. President*,—Are similar resolutions now in order?

The PRESIDENT: Yes, sir.

Mr. CONKLING: I desire to offer the following resolution, under By-Law 3, which provides that all propositions not on the programme should be referred to the Executive Council before action. I should have deferred the offering of this paper until such time as your own report, sir, on our commercial relations with the States of South America, had been presented; but in view of the By-Law I ask permission to offer the following, and I mean to include the Dominion of Canada as a nation:

*Resolved*, That the several nations of North and South America be invited to send representatives to a commercial conference, which shall meet in this city on the first day of June, 1877, for the purpose of considering the interests of American international commerce.

*Resolved*, That the Executive Council of this Board is charged with the duty of carrying the foregoing resolution into effect.

I move its reference to the Executive Council.

The resolution was referred to the Council.

The PRESIDENT: The next order of business, gentlemen, is the proposition upon the programme in relation to the establishment of a Department of Commerce.

The Secretary read the proposition, as follows:

III. Department of Commerce, submitted by the Executive Council as a subject for consideration, and by the Board of Trade of Philadelphia, by resolution, as follows:

*Resolved*, That it is expedient for the National Board of Trade to continue to use all its influence for the establishment of a National Department of Commerce.

Mr. HAYES, of Detroit: *Mr. President*,—Commerce to a nation is what constitutes the life-giving power of continuing to prosper, or the decaying influences producing weakness and ruin. Like the blood coursing through the human body, wherever our railroads, canals, lakes and rivers reach out over the vast extent of country, penetrating the forest, mines and agricultural districts, there trade and commerce is found, there the foundations of civilization are planted, followed by the arts and sciences. When commerce flows free and uninterrupted, then prosperity follows, until the “wilderness is made to blossom like the rose,” and the general good of the whole people is guaranteed as the reward of industry. But, whenever any considerable branch of commerce becomes depressed, withered or decaying, then there is danger of the disease spreading out until the infection reaches all classes, until from one common cause all are prostrated alike. Therefore, it is the duty of all good governments to provide for its trade and commerce, and to furnish proper information to its citizens, to enable them to prosecute their business intelligently, without serious interruptions or violent fluctuations.

Commerce should have a living head and heart, that should be a part of the Cabinet Council of the nation, with a Department of Commerce, from which the public can obtain information, that is official and reliable in regard to the general business of the country, and have a fair representation at the seat of govern-

ment. When our Government was formed, one hundred years ago, we had about three millions of people, with a very small amount of trade and commerce—a mere trifle of what we now have. We were then without railroads, steamboats, canals, telegraphs, and many other modern improvements; our wants were few and primitive; export and import trade being comparatively small and done at a few ports. Therefore, in making arrangements for the official government at that time each cabinet officer was assigned control over what then appeared to be legitimately appropriate for the several departments.

The Treasury Department then consisted of four bureaus, viz : one Comptroller, one Auditor, one Registrar, and one Treasurer. The duties of each official head of these bureaus were no doubt, comparatively light and easy, giving them ample time to know personally the working details of the business of their office.

We have now a different state of things, under the same official head. There are now six Auditors, two Comptrollers, and one Comptroller of the Currency, one Supervising Architect, Coast Survey, Commissioner of Customs, Bureau of Statistics, Director of the Mint, Light House Board, Registrar, Solicitor's Department and Treasurer—*eighteen* different bureaus under *one* official head—very many of them embracing subjects which are entirely foreign to the proper business of the Treasury Department, yet pretending to give full official statistics of the “commerce of the country.” Such statistics are calculated to mislead the public mind, as they do not give reliable information of the whole of that commerce. The development of commerce by our vast railroad system is ignored entirely, while the old routine of reports of vessels, barges and canal boats is continued. The business of the country has entirely outgrown the capacity of any one man to supervise what is now crowded into the Treasury Department. No one can be expected to do justice to himself or the public under such a pressure of business. Consequently, the commerce of the country is suffering for the want of a separate department having a responsible head, with power to establish many needed reforms, such person to have a Cabinet seat in the Council of the nation. If any doubt the overloaded condition of the Treasury Department, as compared with only forty years ago, let them refer to facts and see for themselves. On the first of January, 1835, our public debt was, \$37,513.05, in 1875, \$2,232,284,- 531.95.

The receipts into the Treasury in these years were as follows :

	1835.	1875.
Receipts from Customs.....	\$19,391,310 59	\$157,167,722 35
Internal Revenue.....	10,459 48	110,007,493 58
Direct Taxes.....	4,263 83	.....
Public Lands.....	14,757,600 75	1,413,640 17
Miscellaneous.....	759,972 13	15,431,915 31
Dividends.....	506,480 82	.....
Loans.....	.....	387,971,556 00
Premiums.....	.....	3,979,279 69
Totals.....	<u>\$35,430,087 10</u>	<u>\$675,971,607 10</u>

showing an increase of total receipts from all sources, of nearly nineteen hundred per cent. In 1835, we had no National banks requiring the supervision of the Treasury Department; in 1875 there were 2,087 banks doing business, with their circulating notes printed and guaranteed under the supervision of the Treasury, amounting to \$318,350,379.00, besides the Government's own legal tender and other notes, exclusive of bonds, for \$418,456,756.69.

With such vast sums of money matters, that must of necessity come under the direction of the Treasury Department, it would be unreasonable to expect very much attention to the detail workings of commerce as it is, and much less in the way of instituting needed reforms to meet the changed condition of the country. The financial business is quite enough for one secretary. The commercial business is quite enough for another department. Last year's report of the Treasury Department contains thirty-five pages of commercial statistics, ninety-eight pages of Lighthouse Board report, reports of Coast Survey, fifty-seven pages of Wrecks and Casualties to Vessels, seventeen pages of Life-saving reports, Marine Hospital reports, Steamboat Inspection, etc. The Registrar's report of money and bonds, which properly belong to the Treasury Department, is mixed up with register of tonnage of vessels, canal boats and barges, which should belong to a Department of Commerce. Why should we continue the registrar of vessels, which show 32,285 vessels of all descriptions, with a total tonnage of 4,853,732 tons, as a part of the appliances for commerce, and not a word nor a figure at all about our railroads, telegraphs, or joint stock companies, which have so materially changed the entire trade and commerce of the country, and which have drawn so largely upon Government money and lands? The statement will bear repeating, that we

have entirely outgrown the former limits of the business connected with the Treasury Department, and arrived at a period when the commerce of forty-four millions of people, with seventy-five thousand miles of railroad, seventy-five thousand miles of telegraph lines, six thousand miles of canals, thirty-three thousand miles of sea-coast, lake and river navigation, demand and should have more clearly defined laws for their regulation and supervision, with a secretary representing that great and growing interest in the Cabinet.

That the commerce of the country is being sadly neglected, can be seen in the formation of "Granger Societies," "Cheap Transportation Associations," "Railway Combinations," and "Railroad Wars," all struggling for something, with a limited knowledge of what they want—groping their way in the dark—each making wild and absurd statements to the public, with no means of referring to official facts or papers as proof of their assertions. One, representing cheap transportation, says, "we want a great double-track Government railroad to New York, on which can be run one hundred trains per day, improved canals, etc." One hundred trains per day of thirty cars per train, ten tons to the car, for three hundred and twelve working days, would be ninety-three million six hundred thousand tons into New York by one road. Can any Government official give any idea from any reliable source whether such a road is required or not. Congress reserved the right to "regulate commerce between the States," in our Constitution. Have they done it? Can any one of the Government officials tell how many tons the New York Central road carried from beyond the State of New York, eastward, during any one year, or of what the freight consisted, or what price was charged for carrying it? That road has *four tracks* from Buffalo and Suspension Bridge to Albany. Now, if they cannot tell whether a road is needed for one hundred trains per day, or ninety-three million six hundred thousand tons per year, into New York, you will be somewhat surprised to know that the inter-State trade that passed over those four tracks (excepting live stock) for the fiscal year of 1874-5 was only one million, nine hundred and forty-seven thousand, nine hundred and one tons, for all New England and the seaboard cities of the East. Yet the statement of an urgent demand for a Government road to carry 4,700 per cent. more into New York cannot be successfully contradicted from any official statistics of the

commerce of the country. Can any Government official inform you as to how much property was carried by the lakes, rivers, canals or railroads, or anything about its kind or value, where it came from or where destined for, or whether carried at a profit or loss to the carrier? Has the Government any official means of knowing what is being done to encourage or retard trade and commerce? While at Washington in May, engaged with the Chief of the Division of Internal Commerce, a messenger entered with a letter from a member of Congress, asking for very detailed information in regard to the internal commerce of the country, such as the value of the trade of the Ohio and Mississippi rivers, the number of people actively engaged in commerce, and the value of the commodities, of the imports and exports of the Mississippi Valley. Mr. Nimmo subsequently showed me his reply, which was in substance as follows: "I should rejoice if every member of Congress were to send to us at once for information in regard to our internal commerce. It is the most natural thing in the world for every new member to assume, as a matter of course, that the Government is possessed of such information, even to matters somewhat in detail. I have to inform you, however, that not a dollar was ever appropriated for the purpose of collecting such information, nor was there ever an officer charged with this duty until the last session of the late Congress, when an appropriation of twenty thousand dollars was made, and through experts in various parts of the country a large amount of information has been obtained, which is being put into shape for a report, which will be out in July."

In December, 1872, the Senate of the United States appointed a select committee of nine members to investigate the transportation routes to the seaboard, as the President in his message had recommended, saying to Congress that they would be called upon at its present session to consider various enterprises for the more certain and cheaper transportation of the constantly increasing western and southern products to the Atlantic seaboard; and adds: "the subject is one that will force itself upon the legislative branch of the Government sooner or later, and I suggest, therefore, that immediate steps be taken to gain all available information to insure equitable and just legislation." The Senate Committee's report of valuable information upon that one branch of commerce, from the western and southern States to the seaboard, makes two volumes, covering upwards of twelve hundred

pages, from which it can be seen that they expose another great error that exists, as to the great volume of our exports of the cereals of the country, in proportion to the total productions. In 1840 we exported only 2 1-10 per cent, in 1850 only 1 9-10, in 1860 only 1 8-10, and in 1870 only 3 5-10 per cent of the whole, and the price for carrying freight continued to decrease from year to year. We require a Department of Commerce, and legislation regarding the carrying trade. There is no general law requiring railroad companies, vessel owners, or other common carriers, to furnish statements showing the nature and amount of their business, or showing the cost of constructing and operating of railroads, canals, rivers and telegraph lines, or the actual cost of transporting freight and passengers, or the tonnage or kind of property carried.

Some State Legislatures have undertaken to collect such information by law, and some have appointed commissioners of railroads. They have also enacted some very absurd laws, which have interrupted the trade and commerce between the States, some of which were, no doubt, a violation of the reserved rights of Congress in the Constitution of the United States. Congress has, so far, failed to regulate inter-State trade.

At the same time that our commercial relations between the States is being discussed, one party is demanding more facilities and cheaper rates, while on the other hand we have about 75,000 miles of railroads, costing about \$4,000,000,000, and about 32,000 vessels, carrying the products of the country for less money than the world ever saw before for such traffic; so very cheap, in fact, as to be utterly ruinous to their owners. The excess of transportation facilities is bringing ruin and bankruptcy upon railroad companies and vessel owners. The future of those interests is a subject for careful consideration and serious doubts. What is to be the end of those companies that are now bankrupt and others that must become so, if the present system and management is to be continued. Railroad wars are in effect the same as all other wars. The principle is the destruction of the weaker companies, or connecting lines, until they fall captive to the stronger ones. What will be the effect upon the commerce of this country when four or five strong corporations can control the business of all through lines, and those companies shall be controlled by a few men? Can rival lines be constructed against the experience of the downfall of those now unable to struggle

through? Can successful legislation be passed for the good of both the people and the roads against such a combined power? If not, then the price of all surplus productions, seeking a sea-board market, will be governed to some extent by four or five men, who may have never had any knowledge or experience in commercial transactions, yet have the power to fix rates. This great Empire State of New York cannot always maintain her canals upon the present basis. We should study carefully the condition our commerce will be in when the tide of reaction sets in. If we had a well regulated Department of Commerce, furnishing reliable information of what we have, and the quantities likely to move and the facilities we have for moving it, it would to some extent prevent "sowing the wind to reap the whirlwind." Europe has a population of 300,000,000, and an area of 3,840,000 square miles, with old, experienced governments, where the arts and sciences flourished long before this country was discovered, yet we have about eight times as many miles of railroads, in proportion to population, as they have, they having one mile to about 4,000 inhabitants, while we have one mile to about 520 people.

Massachusetts has one mile of road to about 800 inhabitants; New York one mile to every 950; Pennsylvania one to every 700. Kansas, with land grants of nearly 5,000,000 acres of land, has one mile of road to every 240 people; Iowa, with its 4,500,000 acres granted, has one mile to every 340; Minnesota, with its 7,750,000 acres granted, has one mile to every 250 people; Michigan, with 3,500,000 acres granted, has one mile to every 438. Nearly the entire western States that have received Government aid have now from one to two hundred per cent more miles of road in proportion to inhabitants than Europe.

About three or four hundred millions of dollars of our railroad bonds are now in default. The Parliament of the Netherlands are petitioned to appoint a committee to investigate the placing of such American loans in the money market of that country. Suppose such a committee were sent to this country, to what official could they apply for any information regarding the condition and standing of those companies in default, or others seeking to borrow money upon their bonds?

It may be said that the Government should not demand commercial returns from private corporations doing business in different States. Each corporation has received special rights and franchises from the people through State and national legislation,

the national government alone having acted upon one hundred and sixty-one bills in Congress in relation to land grants, covering 215,203,807 acres—nearly *four times the area of the United Kingdom of Great Britain and Ireland*. We have seen our public land so absorbed by railroad companies as to almost entirely transfer the sale of lands from the Government to the railroad companies. We received in 1836 \$24,877,179.86 into the public treasury for land sales. The Treasurer's last report shows the amount for 1875 to have been only \$1,413,640.17.

We also find scarcely any railroads doing business in this country that by themselves or their connections do not do an inter-State trade, which has its influence upon the business and values of property in other States, or, in fact, having a direct bearing upon the general welfare of the whole people of these United States; this being so, they should by law be called upon to file reports with the Government of the United States, showing their standing, the amount of stock issued, the amount of bonds unpaid, with unpaid interest, if any, also the amount of floating debt, number of miles, including side tracks, number of engines, freight, passenger, baggage and mail cars, together with a statement of tonnage carried each way, classified under proper headings for statistical purposes, such as "merchandise," "live stock," "wheat," "corn," "oats," "barley," "potatoes," "flour," "lumber," "timber," "wool," "tea," "coffee," "sugar," etc., with the receipts in gross for freight, passengers, mails and other business, cost of operating, interest and dividends paid, and cost of renewals, and such other information as may be required to cover the demands of the successful working of a department of commerce.

Such returns should be uniform, and be made to cover each year's business, or parts of a year, so that the accounts to be made out for all shall embrace the same time upon all lines. Such returns might be made monthly. The same kind of returns should be required from vessels and canal transports. The question has been frequently asked, in connection with this subject, whether the Government should not construct, equip and run railroads. No government such as ours, where the elective franchise is universal, or nearly so, should ever undertake the business of transportation, nor any other kind of business affecting the commerce of the country, in competition with private or corporate capital. The detailed working of such business would

require such an army of officials and operatives under government control that the political power would become very dangerous to the rights and liberties of the people. Every general election would become a general scramble for official preferment, resulting in turmoil and bloodshed between those in and those out of power. The improvement of harbors and rivers, together with the maintenance of buoys and lighthouses, under government authority, as securing national avenues of commerce, is right and proper, being national in character, and should be uniform, and conducted under one general supervision.

Corporations having secured corporate rights and franchises from the people, through State and national governments, should coöperate cheerfully with a department of commerce, in furnishing monthly reports of their business, with such other information as may be deemed necessary for the welfare of the whole people.

It might benefit the railroad companies themselves for the general government, through a department of commerce, to exercise the right of guardianship over them, by limitation of rates upon through traffic, when such traffic passes from one State to another to and from competing points. Such guardianship can be best conducted by allowing the managers of the railroads to do their own business, under clearly defined rules and regulations, such as a general "clearing-house" system would give, fully authorized by Congress to be enforced in regard to the traffic of the country, with proper safeguards for their own settlements among themselves, with a government inspector or commissioner from the department of commerce to see that the rules and regulations are complied with. Such a system should be very broad and comprehensive, enough so to cover the commerce of the country transported by railroads, lakes, rivers and canals, all through business, both in freight and passengers, to be under the supervision of a clearing house board. They would issue all through tickets and bills of lading to and from competing points, and control all agencies for such through or competing traffic; each company in interest making settlement with the clearing house for its share of the traffic, through a uniform system of accounts, kept with the freight and passenger auditors of all roads participating in the business. This clearing-house board would also make uniform rates to and from competing points that would not be subject to violent fluctuations, and con-

sequently entail heavy losses upon both the common carriers and the owners of property. In May last there was about 4,000,000 bushels of surplus wheat in store in New York, the freight being at that time forty-five cents per one hundred pounds from Chicago to New York. At the West there was about the same quantity in store, which was not needed East until the surplus there could be moved. Therefore, no change in rates could bring forward what surplus was at the West without depreciating the value of what was already at the East. In the face of these facts the rate was changed from forty-five cents to twenty cents per one hundred pounds, making the eastern holder suffer a loss of fifteen cents per bushel — equal to \$600,000 on one article; while the carriers reduced their earnings on what was at the West to an equal amount, without either being able to control their own losses, and without materially benefiting anyone. The effect of such violent fluctuations to and from the through or competing points is only the more severe and unbearable upon the local shipments, and falls with a crushing weight upon all manufacturing interests, as well as upon the entire agricultural productions of the country that have to pay local rates, as against such unequal through rates. Reform in present differences in rates must be had.

Our manufacturing establishments should place on file in the Department of Commerce their capacity for manufacturing the various kinds of goods, and also report the actual amounts of goods manufactured, from which we can learn whether there is room for more manufacturing of the same class of goods, without overstocking the market. One great cause of our commercial crises is the over-production, and then the forced or slaughtering sales of such over-productions in our own and other markets. We should be able to know what we have a capacity to do, and the actual amount done. Each State and Territory can have its books kept distinct, so that the trade and commerce, productions, manufactures, products of the mines, the forests and the fisheries, of each can be known separate from the grand total of the whole. This, being done in a systematic manner, would enable us to know the consuming capacity of our population. By adding our imports of the same kinds of goods, and deducting our exports, the balance would show what is on hand or consumed within our own country. The trouble or cost of procuring such information, and arranging for the perfect working of such

a system under a Department of Commerce, would be but very little in comparison to the great benefits to be gained by it.

Trade and commerce in England is considered of so much importance as to be put first upon the list of governmental control, under what is known as "The Board of Trade," which is presided over by a committee of the Privy Council. The president and colonial secretary are both members of the British Cabinet. By a standing order of Parliament, printed copies of bills relating to railways, canals, docks, harbors, and other public works, and bills relating to joint-stock companies, are deposited with the Board of Trade before being brought before Parliament. This department, like our own treasury department, has become overloaded, and the people are demanding a minister of commerce. We should separate all matters relating to the detailed working of commerce, such as "statistics," "lighthouse board;" dividing the registrar's business, taking from it that part referring to commerce, and create a "railway," "telegraph," and "joint-stock companies" divisions; making all such companies furnish regular official returns of capital, earnings, and business transacted. It is also a question of some importance to know the condition of the mines of the country, their yield and cost of production. There are some doubts about the propriety of allowing the precious metals to pass out of the hands of the Government. Some governments reserve them in their grants of land to others. But if not reserved, the country should know from reliable sources the actual state of such national resources, upon which to base an intelligent opinion of their effects upon trade and commerce and the future of our public debt. Thus, it will be seen, there is ample room for a department of commerce, while its establishment would relieve to some extent the present condition of the treasury department, overloaded with duties that do not properly belong to it.

The Department of Commerce should be extended over the Bureau of Agriculture, and embrace the statistics and supervision of all that goes to make up the general business of the country. Such officers as may be connected with Foreign Commerce might do very much to bring about uniform weights and measures, uniform bills of lading by sea and land, uniform customs and terms among the commercial men of other countries doing business with the United States. Such a department, with a proper and efficient cabinet officer at its head, would do very much

toward placing the commerce of the country upon a sound, reliable basis, which would protect us to some extent from the disastrous panics, fluctuations and commercial crises, due in large measure to the want of a proper knowledge of the commerce of the country, embracing our manufacturing, mining, agricultural, railway and shipping interests, all of which should be separated from other departments, and be combined into a Department of Commerce, to be controlled by an intelligent man, a *merchant*, who knows and appreciates the great value of commerce to a great nation, instead of a lawyer or a political demagogue, who neither knows nor cares for much outside of his own gratification for place and power. We want more practical commercial legislation, and less political trickery in our business relations with the several States and with foreign nations, in order to fully understand our best interests, and I am fully convinced that in no other way can we accomplish so much as through a well regulated Department of Commerce.

Mr. WETHERILL, of Philadelphia: *Mr. President*, — After the very able and exhaustive remarks and statements which have just been presented, it is wholly unnecessary for me to say a word, nor was it the intention of the Philadelphia Board of Trade to occupy the time of the Board in presenting this matter, for the reason that it has been discussed time and again before this body for the last eight or nine years. The Executive Council have been doing all they could do to secure the result we desire. It therefore seemed only necessary for the Philadelphia Board to present the matter and to offer such resolutions of our own as would keep it alive before the Executive Council. What has been done by the Executive Council is well done. They have presented a bill to Congress and urged its passage, but the results are not quite as satisfactory as we had hoped. The only other bill which has been presented to Congress, as I have been informed, is one presented by Mr. KASSON, of Iowa, in which he proposed to create a Chamber of Commerce, with the Secretary of the Treasury at its head, and to consist of the heads of different Boards from the different parts of the Union. This seemed to be an entering wedge, although not entirely satisfactory, and in the hope of securing additional amendments which would perfect it and secure what we all desired, we, at Philadelphia, wished the Executive Council to do what it could to aid Mr. KASSON in securing so important a measure.

That bill was referred to the Committee on Ways and Means and it was there considered, and there it slept, and it is, I believe, there yet. The bill presented by the Executive Council was not as full as some of us might like, but looking at Mr. KASSON's bill as an entering wedge, we thought the two might secure good results. The bill presented by the Executive Council proposed to consolidate the subordinate Bureaus of the Treasury Department, the Bureau of Customs, the Bureau of Statistics, the Bureau of Agriculture, and such other matters as relate especially to Trade and Commerce, the whole to be under a common head, in the same way that the Treasury Department is under the control of the Secretary of the Treasury, and in that way to secure the good result that we would all like to see brought about. That bill has not been acted upon, and in order to keep this subject alive in the Executive Council, and in order that they may continue to persevere in their efforts to secure what we all believe to be so desirable, the Board of Trade of the city of Philadelphia would now merely present for the action of this body a resolution to take the place of the one as placed by it upon the programme. It is as follows:

*Resolved*, That the Executive Council be instructed to renew their efforts to secure the passage of a bill creating a department of trade and commerce, and that they request the constituent bodies to press this important measure until full success shall have been secured, and a separate department, charged solely with matters appertaining to trade, shall have been permanently established.

The PRESIDENT: That resolution is before the Board.

Mr. HOW, of Chicago: I should be very glad to hear from the President on this subject. He has given the matter a good deal of consideration, and I have no doubt the Board would be very glad to hear from him.

Mr. CANDLER, of Boston: *Mr. President*,—Without asking you to defer your address to the Board, I should like to call your attention to a consideration in the discussing of this subject. I have been very much interested in the remarks by the gentleman from Detroit, but, with many others, I look with some doubt upon the concentration of too many powers or too much power in the government, and I hesitate to increase the Bureaus at Washington. I would have as much business of the country distributed through the States as possible, and sir, when you address

the Board, I shall be very much obliged to you if you will give some definite statement as to what kind of a department is desired, or that the gentlemen from Philadelphia who present this resolution desire. Are we to have another Secretary at Washington with all the officials connected with the position? Are we to increase largely the officers of the government? It seems to me that one of the great evils we have to contend with in this country is the great increase of office holders. If we go on with customs and revenue departments, and create other new departments, the officials of the government can almost control the primary meetings and the elections. Government is a great machine, whose officials we, who are laboring to uphold a republic, ought only to increase with great caution. We must be extremely cautious how we advocate anything that can increase the vast army of officials. I should, therefore, be very much obliged, sir, if in the discussion of the question, the gentlemen who have considered the subject will explain to us what their intentions are, so that we can look this subject in the face, and so that when we send our delegations to Washington, if we send them there to urge this matter, we can give clearly our reasons for it.

The PRESIDENT: It is wholly unexpected to me, gentlemen, to be called upon by my friend, Mr. How, to say anything more upon this subject than I have already said in a report which I had the honor to present at the meeting of the Board in Chicago, in that I attempted to portray to the Board the deficiencies of our present system of administration of subjects relating to the trade and commerce of the country through the Treasury Department as it now exists. Mr. HAYES has prepared such an exhaustive paper upon the subject that I need not go into specific details, but I will say in brief that a very careful study of the operations of this government for quite a number of years has satisfied me that the tendency of our legislation has been to overload the Treasury Department with all sorts of subjects which a Secretary of the Treasury, under our present laws, can hardly be expected to have any adequate knowledge of. The members of the National Board of Trade will recollect that it is impossible for the President of the United States to appoint as the Secretary of the Treasury any man who is engaged in any commercial or manufacturing business. His choice for a Secretary of the Treasury, therefore, is limited to gentlemen who are retired absolutely from

all connection with business, or to members of the legal profession, or perhaps it might be possible for him to go a step further and appoint an engineer, but even then he would find the engineers of the country so intimately connected with its business as to shut them out, by a fair construction of the law in regard to the organization of the Treasury Department. In the plan which I had the honor to present to the Board at Chicago, I bore in mind what has been referred to by my friend Mr. CANDLEB, the impropriety of increasing to any extent the number of officials dependent upon salaries or perquisites for their support; and in that scheme, while I proposed that there should be a competent officer as the head of this department and a chief clerk, I provided that all the other employes of the department should be drawn from the clerks and officers of the Treasury Department in such way as might be determined by the President of the United States and by the Secretary of the Treasury, my object being to fill the new department, not with a new set of officials, but with men, who, by their connection with the Treasury of the United States in the past, were, to some extent, trained in the line which we suppose it would be beneficial for the country to prosecute. There are now in the Treasury Department a number of valuable men connected with the statistics and trade of the country, but there is no unity of action whatever among them. Each man makes an independent report to the Secretary of the Treasury in regard to his own bureau or branch, the Secretary transmits those independent reports to Congress. There is no place where they are collated; no reference of one to the other, and there is no such careful study of these important interests as their importance demands.

Now, it does seem to me, from the experience I have had with the business of the country and with the business of the Treasury Department, that we cannot, in a country of such vast extent as this, with such infinite variety of productions, with so many conflicts of interests and of laws, get along prosperously and satisfactorily under the present system. There is no one, according to my present impression (and I believe I am borne out by what my friend HAYES has said on this subject), to make any comparisons whatever of the laws of the several States bearing upon the business interests of this country with the laws of the United States, that, to a certain extent, bear upon those interests, and to my mind what we need is to have a man (and I believe it would

be possible in the wide extent of the United States to find such a man) with qualifications similar to the first Secretary of the Treasury, who was really and practically the first representative man in this country, and who laid the foundations on which rests the present treasury system of the United States, and all the benefits and advantages of it so far as it goes — and that was Alexander Hamilton, a man who, it is true, was a lawyer by profession when he entered the Treasury Department, but a merchant by education and before he commenced the study of the law ; and I think that now, if a Department of Commerce were established, the President of the United States could find some man in the city of New York, or in the city of Boston, competent to take charge of such a department, to organize it in its various branches, and to present to Congress and to the country at large some uniform system of legislation upon these various interests of the country, that would lead, in the long run, to harmony and to beneficial results. I went, perhaps, a little too far in the draft of the report which I made and submitted to the Board at Chicago, but I did it intentionally, that there should be the widest possible range of argument presented to the Congress of the United States when they came to consider this matter, that they might see how all these various interests of the country are interlocked, how they are effected by the legislation of the States and by the legislation of the United States, and the absolute necessity of some unification of a system which would work out for the satisfaction of the country and for the information of Congress, those details that are essential to wise legislation. Unless, as I think, we in some way or other get such a department, the great interests of this country, as they are dependent upon the general Government, must to a great extent be neglected. The consequence of the present system is that all acts of Congress are very imperfectly framed, they become complicated and conflicting to such an extent that they are necessarily referred to a class of subordinate officers, whose information upon the subjects which are referred to them is so limited that they cannot take a comprehensive grasp of the subjects, and the result is that a system of temporary expedients is resorted to, which serves to get over a troublesome place for the moment, but which in their practical operation sets the whole business of the country in confusion. I think I can bring to the recollection of some of my brethren of this Board incidents of the sort that have frequently involved

the loss of considerable sums of money — for instance: a doubt exists in the Custom House of Boston in regard to a construction of some law ; a letter is written to the Secretary of the Treasury asking for instructions, it is referred by him to a subordinate officer in the Department, a report is made upon it which is hastily read by the Secretary, and an order of instructions is sent to the Custom House in Boston perhaps to get rid of that particular troublesome case ; but that order is not sent to any other Custom House in the United States. They go on for months and months in the other Custom Houses under a ruling which frees the Boston importer from some of the burdens of trade which the importers at all other cities are obliged to submit to. We have had some such instances in Boston, and perhaps in Philadelphia, where the tariff has continued for some months ten, fifteen or twenty per cent higher than in other ports. We want something that is established by a competent head, and when it is established, that it shall be uniform in these regulations throughout the United States. [Applause.] I do not now refer to what has been so well said by my friend Mr. HAYES, but only to the general principles which now govern the Treasury of the United States upon these vast and important questions, the way in which they are frittered away with bureaus, and pigeon holes and red tape. And I want to see come out of this imperfect, dislocated system something that will be universal, and will be beneficial to the whole country.

Mr. BUZBY, of Philadelphia: *Mr. President*,—I desire to say a word or two in connection with this subject. The Philadelphia Board of Trade has been frequently appealed to by gentlemen from abroad asking for information in regard to the amount of traffic in staple products. We had a visit only some two weeks ago from a gentleman of Stockholm, Sweden, who was very desirous to learn something about the lumber trade of the United States. I was unable to give him the information. We passed into the Mercantile Library, and looked over its catalogues, and we at last lighted upon a book which we supposed would tell us what we wanted to know, but the information contained in it was entirely superficial and of no avail, and I was obliged to say to this gentleman that the business of this vast country was conducted in so loose a manner with regard to statistical information that it would be impossible for him to acquire

that information any where throughout the broad land, either in Philadelphia, Baltimore, New York or Washington itself. Shortly before that, sir, a gentleman, an engineer in the service of the Russian Empire, called upon me and asked for some other information, which I was unable to give him ; and I confess, sir, I felt, as a citizen of the United States, a great deal of mortification that a board of trade could not give that information, and that it could not be obtained at headquarters in Washington. In order to acquire this information we must have a bureau, and one invested with sufficient power. I am not at all impressed with any fear, such as the gentleman from Boston expressed, that we shall be creating a great power at the polls, which may ultimately subvert our liberties or damage private enterprises in some way.

Now, to get information, you may send any man you please, but if the parties who have that information refuse to give it, and regard it as an invasion of their private rights and private business, how are you to proceed ? You cannot force it from them, and if they do give you information you cannot be sure that it is reliable. But let the government enter the field and send out its agents ; the information cannot be withheld. I do think, sir, it is a shame, a crying shame, that we should be conducting the business described so fully by Mr. HAYES in such a way as to make it unintelligible to ourselves and all the world. I can see no possible objection to passing the resolution, and I hope to live to see, in a very short time, this department established.

Mr. HERSEY, of Portland: I think, sir, any member of the National Board of Trade who has read your valuable report upon this subject cannot otherwise than understand fully and clearly this question. I had the honor of being connected with the commercial convention which first originated the idea of a national board of trade ; and I have been connected with the National Board of Trade for a large portion of the time since, and I must say that if there is any subject that has been presented to us in which we feel an especial pride it is this subject of a department of commerce. It is nearer to our hearts, perhaps, than any other matter. Any man, Mr. President, who has had dealings with the Treasury Department very well knows the difficulties under which he labors, and I have not seen a Secretary of the Treasury yet who was not willing to admit that he

could not consider commercial questions as they ought to be considered. Why, sir, the very decisions and counter decisions of the Treasury Department, which are made almost every day, show clearly that the head of that department has not time to consider commercial matters. Decisions have been and are very frequently made which are reversed within a very short time. Now, Mr. President, I do not propose to detain members here upon this subject, which has been so ably presented by the gentleman from Detroit, and by other gentlemen, but I do say in regard to this bugbear of increasing the expenses of the Government, that it is so slight a matter to discuss that it is not worth consideration. What we want more than anything else, Mr. President, is to take these matters of commerce out of the hands of politicians—to place them in the hands of a department that shall not be subject to the dominant party in power. We want to be independent of politicians. For heaven's sake let the business men of the country have some head to which they can refer for redress, aside from politics. It is intimated, sir, this morning in one of the leading papers of this city, that we have no influence, because we are not politicians. I glory in the fact that we are not politicians, and I think it is one of the best compliments that could be paid to this National Board of Trade, which has never been political. [Applause.]

Mr. CANDLER, of Boston: *Mr. President*,—When I read this proposition presented by the Executive Council, I had clearly in my mind the fact that it was a question that had two sides to it. No gentleman, it seems to me, can look at the immense army of office-holders that we have in the United States and say that we should not reflect before we add to the departments anything which will increase the number of officers. I have listened with great interest, attention and satisfaction to the argument made by Mr. HAYES. I consider it an honor to the Board that a gentleman comes here so ably prepared to give us valuable information; and, as I listened to it, it only impressed me further with the great importance of the meetings of such a Board as this. We do represent the great interests of the United States, so far as commerce is concerned, but we must realize the fact that we shall not accomplish all the reforms we desire through such a department. We shall accomplish them by creating public opinion; we shall accomplish them by going to the Committee on

Commerce, at Washington ; and when gentlemen state here that they believe we require a bureau of commerce in order to define more clearly the decisions of the Treasury Department, I reply that one great difficulty with our Treasury Department is on account of our unfortunate trade relations — on account of our protective tariff ; and if to-day we would advocate, as members of this Board, a simplification of our tariff, so that merchants could go to the Custom-house and understand their duties better ; so that the head of the present department could understand what a just duty was, we should get far toward a solution of our difficulties and wipe out a great deal of injustice. I am not opposed to a Department of Commerce, if it is to be such as I understand you and other gentlemen desire ; if it means simply, under another head, to divide the present business, to collate statistics, to be able to give a more intelligent statement of the resources of the United States, and to do it with the present official force of the Government. I am not opposed to simplification. I wish to simplify everything connected with the Government ; but I am opposed to creating another department, if we are to look to that only for the reform ; if we are thereby to increase our present officials ; if we are, in any way, to concentrate in the Government more power than it has at present ; if, in any way, we are to give to the United States work to do which can be better done by the separate States, then I oppose in this Board, and shall always oppose, concentration or any increase of office-holders. I shall labor, for one, to simplify and to correct the abuses under which the country is suffering to-day. I think that the most important work that we have to do — more important than the Department of Commerce — is to have our trade relations corrected, to see that we can have reciprocal relations with the world, and some other questions of that kind. I shall vote for the proposition of the Philadelphia Board of Trade ; but at the same time it seemed to me to be my duty to express my views as to extending the power of the government or the concentration of any more power in it.

The PRESIDENT : The proposition made by Mr. WETHERILL, of Philadelphia, is before you. Is the Board ready for the question ?

A vote was then had, and the proposition was adopted.

Mr. JONES, of Boston: *Mr. President*,—I desire to say one word, and that is that the report or address of Mr. HAYES contains, in my judgment, so much information that it is desirable that it be well distributed among the various bodies of this Board, and I suggest that it be printed by itself and be distributed as a separate document for the purpose of disseminating the information it contains, and I move the following:

*Resolved*, That Mr. HAYES be requested to furnish the address he has made upon the subject of a Department of Commerce to the Secretary, for the purpose of having it distributed among the constituent bodies as a separate paper.

The resolution of Mr. JONES was unanimously agreed to.

The PRESIDENT: The Secretary will now read the next proposition, which is the fourth on the programme.

The Secretary read the fourth proposition, as follows:

The National Currency, submitted by the Board of Trade of Boston.

*Resolved*, That the National Board of Trade reaffirms, emphatically, its long cherished and often repeated conviction, that the financial and industrial prosperity of our country is utterly incompatible with the employment of an irredeemable and depreciated paper currency, and that the only remedy for existing commercial distress, depression and ruin, is to be found in the restoration of a just and sound standard of value.

*Resolved*, That the present stagnation of business and superabundance of idle capital, which are the necessary results of inflation and extravagance, ending in collapse, furnish a most favorable opportunity for replacing the pecuniary transactions of the people on a sound basis, by withdrawing from circulation the large surplus of legal tender notes which cannot be maintained on a par with coin; and we call earnestly upon the Congress of the United States to delay no longer the necessary steps for funding or otherwise redeeming and canceling these notes until those which remain in circulation shall be at par with coin.

Mr. ROPES, of Boston: *Mr. President*,—These resolutions were adopted unanimously by the Boston Board of Trade for presentation to this body. They were drawn up with a great deal of care, in order to carry on their face, in some sense the argument for the conclusion to which they point; and it is not the desire, I think, of the members of the Boston delegation, who are a unit in sentiments upon this subject, to take up the time

of this Board with any argument, unless these resolutions, or any portion of them, should be opposed in this body, in which case we would be most happy to defend them.

Mr. GRUBB, of Philadelphia: *Mr. President*,—I propose to occupy the time of the Board for fifteen or twenty minutes. I would ask, therefore, your indulgence during that time.

To recount the history of finance, since our last meeting, would be but a recital of the story of preceding years. It has been my privilege, Mr. President, at former meetings of this Board, to give the views I entertain on the great question. They were received with becoming courtesy, but with an incredulity which has brought few followers; and yet all the experience of the past and the ripening future point in one direction. I am here to-day fortified with accumulated facts to maintain the position I have heretofore held.

In each of the chief civilized foreign commercial nations there is a family of regulars, men of calm judgment, with habits and traditions in striking contrast to the feverish bustle of the commercial and trading world about them. The one stable, unchanging Institution will there be found in which they are cradled. Every influence is represented. The public capital and private fortunes, joined to the supreme authority, are intrusted to their vigilance and their skill. They emit a circulating credit that is unassailable. They interpret with incomparable faithfulness the laws of trade and enforce them. Until we are willing to accept such a central system of control, there will be no settlement of our financial or our business difficulties. Law has its court of last resort; finance, bereft of such an authority, is nothing less than lynch law.

I do not believe it possible to conduct such a money system as this country requires under the present banking law, changeable as it is at will. Corporate action instead must supply the requisite authority. The principle of corporate authority alone insures a careful and deliberate consideration of the questions to be decided. Concurring in a decision and responsible for it, it is a security against precipitate and incautious judgments, founded on partial data. It avoids the slowness, irresolution and vacillation of statute law. Civilization has introduced no greater improvement into practical politics.

Neither can I think the United States Treasury will be con-

ducted successfully under its present arrangements. It is a constant menace to every business interest. It cannot exist on an exclusive use of coin. The trade of the country in time will not admit of having coin, in large masses, violently removed from place to place for treasury purposes.

A financial system when properly reformed will treat commerce — the traffic of a nation — as a pursuit of skill, not as a mere matter of gross purchase. It combines traditional means, precedents, local knowledge. The employment of capital must be joined to all these incidents to render it profitable. Commerce, in fact, is an organized connection, whilst our money system is exclusive and arbitrary, drawing its life from separate statute laws, that are discordant, or are in actual conflict with it and with each other.

The National Government now enact, at will, the laws of finance, and works in accord at pleasure only. It is part capitalist, part banker; at times it is neither. It floats a paper to pay its debts, and fails to retire it, even at seasons when it is in excess of the wants of the people. Thus our dollar of promise is an outcast, since it is the duty of no one to fulfill the constitutional requirement — “to regulate the value thereof.”

My idea of a monetary plan is, that it should be separate and apart from a treasury system. The business of a Secretary of the Treasury is plain: he has simply to regulate expenditures and to improve income, so as to make both ends meet. It would be just as possible to hold the sun at its total eclipse, in the moon’s transit over its disc, as for him to maintain paper at the level of coin when it reaches that point. He is not provided with the instruments to clinch it. It is there by an accident of trade, and it is no indication of a legitimate approach of specie payments. If the country were to depend upon coin absolute as a sole means of resumption, it could not maintain its credit for a single hour. To barter a dollar of coin for a dollar of paper — to so foreshorten credit that a metallic dollar may extinguish a paper dollar — is not what commerce asks for. Resumption is the work of a skillful pilot; not the business of a wrecker. Trade asks that paper and coin may associate on an equal footing.

If there is a question, Mr. President, about which political parties should agree never to disagree, it is in regard to the essential value and nature of the circulating medium of a nation. As yet, no prudent politician of either side, mindful of practical con-

sequences, has presented a plan which has secured the confidence of the public. When it shall be found, the willingness of the people to atone for a grave error of the government may be relied on.

Controversies between Christian sects, it has been remarked, turn upon questions which have no bearing upon human conduct, rarely upon the moral doctrines that are involved in Christianity. The diversity of Christian creeds is thus the more apparent, since among all civilized nations a nearly uniform standard of morality is recognized. So in the chief commercial nations the moral aspect of the financial question is first settled and lifted above clamor, and whatever abuse or errors exist, it is after the standard of value has been recognized.

Our present duty — the duty of this very hour — is to raise this standard, and to rally to its support. There is between the Government and the people an unfinished covenant. It will be completed when the people possess a money as invariable at all points of the country, at all times, and as little variable in other parts of the world, as if it were one of the two precious metals. A mixed circulation of coin and paper should be tolerated only when it acts as if it were all coin, for then it rests upon a foundation of mutual reliance, ascending from private to political, and from political to international relations. The universal presence of such a test as a standard of comparison is our ruling necessity. Resumption does not operate as a cause; it follows prosperity as an effect. With a circulation like ours, that is losing its supporting power, the specie standard may be passed in the descent; and it will not do to say, when specie values have been reached, that this is a *means* of resumption. The opportune time is the moment of transition, when it can be transfixed and incorporated with a better credit.

The most serious difficulty of the situation is overlooked. This is, our promise to pay the funded debt in gold — terms utterly unknown in the chief foreign nations. We boast of our national credit. A promise to pay gold by the General Government in settlement of the funded debt is not a pledge of credit; it is a contract by a defaulting debtor, stipulating to deliver at a future time a commodity, now lifted out from a true system of finance; and it is doubtful if it is the prerogative of the government thus to bind itself to supply a production which it is no part of its business to develop, and over which it can have no control except by arbitrary enactment.

Mr. President, my candid conviction, the result of close observation dating back more than forty years, is that the present National banking system, reformed and perfected, offers and will be the means of the restoration that must eventually be adopted. A round sum of fifteen hundred millions of dollars is due to the National banks by the people and the General Government. They stand to-day between us and an absolute chaos of values. They have battled bravely and hard to maintain the commercial situation. The evil they have prevented has no demonstration; the world will never know the imminence of the peril. During the thirteen years the system has been in operation they have met every reasonable and just requirement.

This is not the time, nor is it the place, to discuss details, or the terms of a proper adjustment. The formula I have assumed in the consideration of the subject does not embrace them. I may be permitted to say, however, and I have consulted no one, neither am I authorized to speak for any one, that if the General Government will confer on the National banks a charter, the legal proportions of which would be, to have corporate power and an uninterrupted succession for a term of fifteen years, and in that time an entire exemption from all taxation, and the control and disbursement of the coin and currency in paper received into the treasury from customs and internal revenue, they might properly agree, as follows:

To accept a thirty year loan, similar to the Pacific sixes, payable in currency at four per cent interest, in exchange for the six per cent gold bonds now held as security for their circulation; and to hand over to the government, within that period, the whole of the outstanding five-twenties, funded into a currency loan at four per cent interest, having thirty years to run. That they could further agree to direct all the power and resources at their command to the care and preparation of such measures as are designed to secure the specie standard; in addition, to contribute for this purpose the coin in their possession without interest, and, as a security for the faithful performance of the work, to leave on deposit with the Government the loans now held and thus refunded. Here is such a settlement of the question as would harmonize all interests.

One may readily perceive how great a service can be rendered in such a disposition of the question. Every interest, national and private, is represented and dedicated to the work. The bank-

ing credit is there with the Government always at hand, to save so fragile an edifice. The skill and vigilance of private interest is there, clothed with the supreme authority, that it may be used in self-defence, and in defence of the nation. Trade interests and the National Treasury are no longer in collision. The antagonisms to be reconciled will meet there, and it would be the point of departure for all the elements of reconstruction. Finance then is lifted above the dread of Congress.

Such a management would take the place of all syndicates in negotiating the loans of the Government. It would be a sentinel over the gold of the nation. Home rule in time would govern. Further funding would await the specie level, and when funded the whole debt would be consolidated. Coin sales would cease. If started to-day there would be nearly two hundred millions of national circulation — the amount jointly held by the treasury and banks — in hand, and all of seventy millions of dollars in coin. The banks would pay the coupons of the loans as they mature — with coin, or paper with the premium added — whilst a premium remained. Foreign interest on loans would be met in current commercial settlements. Designated centers and the mints could receive coin as a loan on interest, and it would enter once more into the operations of trade — at first in the form of gold notes supplied from the banks, and thus earn the interest paid. The coin outside the National Treasury and banks, supposed to be about sixty millions, and the home-grown bullion now estimated at seventy millions annually, would await in readiness its action.

The management would strike the balance of daily trade that is international, *and turn the scales with coin*. The gold is now carted from the mines to the ship's side for this purpose. Its prerogative would be to ascertain the sum in advance. It would restrain foreign expenditures within the limits of home production. Impending solvency would lessen depreciation, and as coin would be received on interest, it is hardly probable that much would be hoarded. The creation itself would be an economic reorganization about the products of labor in their form of commercial equivalents, and it would be commended from the fact that the work would be done as a copartnership of the whole people. In a word, the result is accomplished by a transposition of underpinning — the coin being taken from what does not require it — the funded debt — to support the circulation, which can draw stable life from it only.

Resumption would be found to be an equation of values—a reduction of extremes to a mean proportion; the loss of some would be the gain of others. The hills might be lowered, but the valleys would be raised. Legal compulsion, or a fixed day for resumption, would be no part of the arrangement. Solvency is a slow growth; it is a series of actions, a work of time; but nothing thus once gained would be lost. The one thing needful is a financial "Probabilities," individual and national—here it is, a national clearing house, that will be international in its operations.

A discussion of the subject would be incomplete without reference to the legal tender issue, which has been happily named "*the financial orphan of the Government.*" An ill-defined idea exists that *its* redemption in coin will be an all-sufficient provision of coin for the bank circulation. This might be found to be a grave error of judgment. Neither should I regard funding as a proper disposition of it. These notes represent supplies furnished in the rebellion, but not yet paid for. They have been the innocent instruments in the creation of a vast debt. It is this superstructure of credit that must be cared for. To fund the notes is to remove the props supporting it. The legal tender immunity is the stone that must be rolled away before a true resurrection can appear. This is rather the work of a Paul, who never destroyed without replacing, and, like his Master, abolished only by fulfilling.

The "Kelley-Carey-Baird convertible bond" can afford no relief. It asks that the promise itself shall be accepted for the thing promised. It is simply a plan of finance with pay-day left out. It is a delusion to suppose that a money of mere paper will add anything to the wealth of a nation. The currency of sound trade is a natural volume *following* a business conducted successfully, and it cannot be forced before its time. A money of paper—of statute law—unlike metallic money or that which is its equivalent, becomes, in the hour of greatest need, immovable and unproductive, and it is only consummate when it transfers something underlying or behind it of its full value. Carlyle, in his quaint way, gives the substantial thought: "It was a shrewd and a valuable suggestion that an ancient drover made to the world, when, tired of driving his wearied ox to market for trade, he turned him into a stall, and simply took his weight and value upon a piece of paper and carried *that* to market, where it

passed from hand to hand, until it was presented by the consumer as an order for the ox. Hence arose the multitude of paper devices for transferring property by bills of exchange, checks and bank-notes, and hence the whole growth of modern commerce."

It is not becoming in a people who have borrowed from other nations the capital cost of a great war, and subsequently the means to construct its vast highways, who, in fact, have time and again been saved from disastrous financial collapse by the confidence Europeans have in their energy and their manhood, thus to counsel a resort to a cowardly evasion of a plain duty. We are confronted with a credit that is an invisible reality, resting upon a foundation of fixed values; this must be correspondingly met, that we may pay them back honestly the same they loaned us. Savings, national and individual, alone will supply the means.

A "non-exportable currency" is credit in its most vicious form. It is quite time that we had learned that the inter-dependence of nations is not optional, but that it is a law of nature. The world, with its Arctic, Temperate and Torrid zones; its varied soils and productions; its iron and coal beds lying in one zone, its cotton growing only in another; the world, as it is, is so framed as to *compel* different peoples and different races to interweave the web of mutual intercourse, and, as they advance in civilization, to intertwine the threads of their national prosperity into an international skein. Trade will be carried on at all times and at all hazards.

It is a providential and a beneficent fact that the solvent dollar of credit is of the plan in gaining over to civilization the peoples of the earth, and this is a Divine decree, since it is part of the gradual development of the equality of conditions. What can we hope from ours, when itself—the implement of binding—by its default, is the chief violater of the sanctity of all contracts? How can we ask a blessing for it as part of our daily bread? It is a falsehood, a spendthrift; it is a profligate and a fraud. In every foreign market it is scouted from the avenues of trade as unfinished and sent before its time, while at home it remains to create a debt which labor and the precious metals alone can discharge. Our want is a relief from the gold premium, not more currency in paper. The gold premium is the fatal enemy of all enterprise; and it is an impending mortgage on every improvement, liable to foreclosure at any moment.

Our evil is in circulating paper promises as money, which are allowed to approach and to recede from the specie standard without restraint. Finally, let me say this, Mr. President, our system of finance will be incomplete, and cannot be perfect until in the use of money entire free trade is allowed, and all restrictions are removed, so that the legal rate shall be the terms agreed upon by the parties to the contract.

I am admonished that I have exhausted your patience and my privilege. Let our shattered credit be builded upon good faith and fair dealing. Mr. President and Gentlemen, our dollar made solvent in this hour of social peril and national decadence is the desire of the nation and of the household—the conscience of the people demands it. Let it be restored on a basis of well-placed confidence. I commend to you, in conclusion, these fitting words of an English statesman: “In questions of opinion and of conduct, well-placed confidence is what sound credit is in mercantile affairs. Credit does not create wealth, neither does confidence create rectitude of judgment. The material commodity and mental capacity must both preexist; but in each case the confidence turns it to the best account, and converts to a useful purpose that which otherwise might be locked up unprofitably in the coffers or in the breasts of its possessors.”

Mr. VERNON, of St. Louis: There are so many differences of opinion on this financial question that I think it would be injustice to my constituents, who are of the West, for me to acquiesce in this resolution, that the National Board of Trade reaffirms that the want of prosperity in this country is attributable to an irredeemable paper currency. We claim, and I believe some from the East are with us, that the national banks, which have been so eulogized by the last speaker, have been a curse instead of a blessing to the country. We also hold that the resumption of specie payments, about which a great deal has been said in the last three years, is very feasible by a proper financial course on the part of the Government. It is held by many that, if the national bank currency were gradually withdrawn, and they were merely made banks of deposit; and if the paper circulation of the country were that issued by the Government, and that if a certain proportion of the duties upon imported goods were payable in greenbacks, the value of those greenbacks would, in the course of two or three years, appreciate to that of gold and sil-

ver. Knowing that these views are very widely held by merchants of St. Louis and other persons in the West, I think it is well to put them before you, and to deprecate, to a certain extent, the policy of allowing one section of the country to dictate for the whole country what policy it shall pursue.

Mr. ROPES, of Boston: *Mr. President*,—I am very glad that this matter has been brought up in precisely this shape, because it gives me an opportunity, and I doubt not that it will give an opportunity for others, to assert in the most emphatic manner that, so far as I understand the subject, or the opinions of others upon it, there is absolutely no idea, either expressed in these resolutions or entertained by those who advocate them, of dictation by one part of the country to any other portion or portions of it. On the contrary, it is believed by those who advocate these resolutions that they are absolutely the only views which can be ever carried out to the welfare of every section of the country. It is a great misfortune that, when we come to discuss a standard of values, it connects itself with debtors and creditors, so that if I owe a thousand or ten thousand dollars it makes a difference whether I pay it in a currency worth ninety cents on a dollar or whether I pay it in a currency that is worth what it professes to be. Now, it is assumed by our friends of the West that they are the debtor States and that we are the creditor States; and that we are attempting to dictate to them, or that we desire to make them pay what they are supposed to owe us in the East in a currency more valuable than that in which the debt was contracted, and in which it professes to be payable. Now, all this, Mr. President, does seem to me as entirely apart from the subject before us. Whatever I owe, Mr. President, I owe in this country, and, like other people, in United States currency; and if it were to be appreciated to the value of gold to-morrow I would be willing to lift up both hands in thankfulness to God for the appreciation; to work with my hands and my feet, and every part of my body, to reach it; and to thank God for having restored the true standard of values to this country. [Applause.] And not, Mr. President, from any grand profession of philanthropy, which I do not, at least on this occasion, pretend; but simply because, as a man of business, I believe that, six months after the restoration of a sound standard of values in this country—that I, and every other gentleman of the United States

here and throughout the vast extent of our country, would have saved and have made more by this beneficial change than he could probably ever lose by the appreciation of the standard in which his debts are payable.

This may seem, Mr. President, strange, but let us look at it. Most of our debts are current, those which are payable, and paid from year to year. If I have notes out for merchandise the probability is, if I am solvent, I shall pay them within six months, and then buy more goods and give notes and pay them. Now supposing when I give a note gold is at a premium of twelve per cent, and when I come to pay it it is at eleven and three-quarters, in point of fact it has made no difference in the merchandise I bought with that note. I have sold the merchandise at about the same price as I did before. I have lost nothing; the people of the country have paid me for my merchandise at just about the same prices as before; and yet gold has gone on slightly declining in premium and currency appreciating. Now, it is possible to carry on this process by simply withdrawing the currency circulation until within two or three years gold slides down to par. Now, all this time we are buying and selling merchandise. It is true that at times it may make a little difference in our profits, but not half as much, Mr. President, as the exigencies of trade may make. I may purchase one hundred barrels of flour, on which I may expect to make one dollar a barrel, but I may have bought it at the wrong time, or injudiciously, and I may not make a half a dollar a barrel, or anything at all. I say that it is an unfortunate speculation, but I do not blame it on the currency. This healthy decline of prices which results from prosperity and good crops, is a good thing all round. The wholesale dealer may make a little less profit, and so may the retail dealer, but the consumer gets the benefit of it, and the forty millions of consumers in the United States are the ones we are to think of. Everything that is consumed in this country is subject to the most violent and unaccountable fluctuations, and from what cause? Because there is enough paper in circulation to gather up goods and hoard them on speculation until prices are driven up beyond their value or natural limit, because the machinery is entirely out of gear, it is working high and low and right and left, and everywhere wrong; it is like trying to drive a train with an engine that has only one crank, or to navigate with a steam-boat that has only one wheel; you go round and round and never

get at any point. The grand object aimed at by these resolutions is not to make the West, or East, or South, or North, or anybody, pay one dollar more than they should, or make any portion of the country bear the burden, but to give the business men and the producers and consumers in this country a legitimate standard of value by which they can measure their expenditure and daily wants, and know whether they are making money or losing it, or whether their trade is merely bolstered up by a fictitious inflation which is altogether deceitful, and which, in the end, will burst and go to pieces just as we have seen nearly every branch of business in the country, during the last two years, going to pieces. Now, Mr. President, what merchant, or manufacturer, or business man of any sort would undertake to go into any productive or mercantile business in which he had a standard going backward and forward as our paper standard goes? I say, Mr. President, that whatever is necessary to be done to bring us back to a sound standard of value in this country ought to be done. Let us look at this proposition like men, and let us adopt it, and let us understand that it is not for the West, or for the East, or for the North or the South, but for every man, woman and child in the country, for the laboring and producing people, and above all for the consuming classes of the country.

The time having arrived at which the commercial associations of New York had invited the delegates to participate in an excursion in the harbor, the Board adjourned to meet on Thursday, June 29, at ten o'clock A.M.

## THIRD DAY.

THURSDAY, JUNE 29, 1876.

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The Board convened at ten o'clock, President **FRALEY** in the Chair.

The **PRESIDENT**: *Gentlemen*,—At the meeting yesterday, some propositions were referred to the Executive Council to be considered, with a view of having them reported and put upon the programme for consideration at this meeting. The first of them was the resolution in regard to making silver a legal tender for amounts exceeding five dollars, offered by Mr. NOURSE, of Boston. Upon that resolution the Executive Council took order, directing that it should be placed upon the programme and be recommended to the favorable consideration of the Board. The next proposition was a preamble and resolutions submitted by Mr. PRICE, of Scranton, proposing to establish a national financial bureau upon principles similar to the constitution of the Supreme Court of the United States. On that subject the Executive Council voted that they deemed it inexpedient at the present time to place the proposition upon the programme.

The Council also, at the meeting last night, unanimously re-elected Mr. CHARLES RANDOLPH as Secretary and Treasurer of the Board; and, by a further vote, fixed upon the city of Milwaukee as the place for the next annual meeting of the Board [applause], leaving the time of the meeting to be fixed by the Executive Council at some future session of that body.

In regard to the propositions submitted by Mr. CONKLING, of New York, on the subject of the Executive Council being authorized to invite from foreign governments the presence of representatives at a commercial congress to be held in this city on the first day of June next, for the purpose of considering the commercial relations of this country with foreign nations, the Executive Council voted that they deemed it inexpedient to take action, for the reason that neither this body nor any committee of it would have any right whatever to open a correspondence with foreign govern-

ments upon such a subject, the powers of this board being conceived to be limited to correspondence with commercial bodies of those countries, and not with the governments themselves, all correspondence with foreign governments being regarded under the Constitution of the United States as completely within the power of the President for the purpose of negotiating treaties and matters connected with the intercourse of the Government with foreign nations. Mr. CONKLING will, of course, understand that that was a very strong reason in the opinion of the Council for not taking favorable action upon his proposition, it being a matter considered to be entirely foreign to the organization of the Board.

**Mr. HOFFMAN, of Philadelphia:** *Mr. President*,—I would move, if it be in order, to dispense with the regular order of business, for the purpose of taking up Mr. NOURSE's memorial and resolution.

The motion to suspend was agreed to.

**The PRESIDENT:** The rules are suspended, and the proposition is now before the body.

The Secretary read the resolution, as follows:

*Resolved*, That the following memorial be adopted and transmitted to Congress by the officers of this Board, to wit:

*"To the Senate and House of Representatives of the United States in Congress assembled:* The National Board of Trade of the United States, in session in the city of New York, addresses its memorial to your honorable bodies, earnestly praying that silver coin shall not be made a legal tender for any sum larger than five (5) dollars."

**The PRESIDENT:** That resolution is now before the Board.

**Mr. NOURSE, of Boston:** *Mr. President*,—It may be deemed proper that a statement of facts bearing upon the resolution now before the Board should be presented; not in the form of an argument, because it is believed that, to the business men constituting this Board, no argument is necessary on this question; but there are certain prominent and important facts bearing upon its merits, and perhaps it is well that the action of the Board in the form of the resolution shall be accompanied by something in the way of explanation for its adoption. Let us premise that, by the last quotation of London, silver bullion —

pure silver—was worth fifty and three-eighths pence per ounce. At that value for pure silver our subsidiary coinage is worth a little less than seventy-nine cents, gold, to the dollar. The proposed new dollar, which has been recommended by the Senate Finance Committee and the Banking and Currency Committee of the House of Representatives, that is four hundred and twelve and eight-tenths grains in weight, nine-tenths fine, would be worth a little less than eighty-four and one-half cents to the dollar; at the same time that our legal tender paper dollar, the greenback, is worth about eighty-nine cents. The proposed new dollar will be worth nearly five cents less than the legal tender dollar, about the redemption of which there is so much question and anxiety. I beg that the gentlemen of the Board will keep in mind these relative values, because they have an important bearing upon the question. This matter came up in Congress a few weeks ago in the form of a Senate bill, reported by the Finance Committee, which provided,—first, for the coinage of this dollar of four hundred and twelve and eight-tenths grains, nine-tenths fine, and also that this dollar should be a legal tender for all sums up to twenty dollars. The same bill provided that any holder of silver bullion might deposit it in the mints of the United States at a market valuation, to be determined from time to time by the director of the mint, under the control of the Secretary of the Treasury, and receive payment therefor, either in these silver dollars, in Treasury notes or in gold. No merchant—probably no business man whatever—would question which kind of money the seller of the silver bullion would take at these different values of eighty-four and one-half, eighty-nine and one hundred cents. Every one would be likely to take that which is worth one hundred. The effect of that would be that the depositors of the silver bullion, who undoubtedly would be producers from the great bonanzas in Nevada and elsewhere, would deposit in the mints of the United States all of their surplus bullion, and they would make the price for it, because, having such a market for all their surplus, they would be enabled to keep the price at a point that would just prevent the importation of silver bullion. The bill was imperative upon the director of the mint and the Secretary of the Treasury to take all that might come at the market value, and it gives the power to the depositors to control the bullion in the market and make their own price for it. But all that feature of the bill has been

dropped. It was too gross to be sustained at all; and now, in the bills before both the House and the Senate, the provision is, that the silver bullion shall be bought in open market, not exceeding one million dollars at a time, at the current market price. The bill, as reported to the Senate, made these silver dollars a legal tender up to twenty dollars. That provision has since been adopted by the Banking and Currency Committee of the House, and incorporated in the bill, which was reported to the House.

This subject becomes of very great importance if we will remember for a moment how large a proportion of our transactions which involve the use of actual money in some form — coin or paper money — is for amounts less than twenty dollars. As nearly as can be ascertained, ninety per cent, and by some authorities it is placed at ninety-five per cent of all transactions where actual money is paid, is in sums less than twenty dollars; on the other hand, of all the transactions exceeding twenty dollars in amount, ninety-five per cent certainly, and probably ninety-seven per cent, are paid by checks, drafts, or other transfers, without the use of any money whatever. It follows as a matter of course, that the bills of the poor, the laborer, the wages earning class, the small producer, would be payable in this silver coin which is to be substituted for the present fractional currency and for the one and two dollar notes now in general use; so that the poorer classes and the employé class will be compelled to use this silver coin. Every man who owes to his employés, his servants, his gardener, the dealer in small wares, has a right to tender in payment of his bills of less than twenty dollars, these silver dollars, worth now only eighty-four and a half cents, and likely to be of still lower value if the declining tendency of silver at the present time should continue. Whereas the rich, the strong, the merchant, the banker, the heavy operator, will have no trouble about it, because he does not deal in a way that brings him small payments to any great extent. The operation of the law with a twenty dollar legal tender limit to it would be unequal and unjust. Better far, because more just, however inexpedient, that there should be no limit whatever to the silver legal tender. If we must have another degraded legal tender, let it be one that shall operate alike upon all classes of citizens. The bill reported yesterday by the Banking and Currency Committee to the House passed out of the control of the committee which reported it,

through a little legislative management, by which a member got control of it and succeeded in moving an amendment to which was added a line by another member making silver coin of these new dollars a legal tender for an unlimited amount for all debts, public and private, except for customs of the United States. The same amendment was proposed in the debate in the Senate, and was carried by a vote of eighteen to fourteen, fortunately not a quorum. Thus we have a new aspect of the case from that which was before us when this resolution was presented to the Board yesterday; and now we come to the question of having a legal tender silver coin nearly five per cent less in value than our legal tender treasury notes at this moment. This proposition is presented to us by Congress, in the face of the fact that for the last year the countries of Europe, having fixed coins of gold and silver, have been exceedingly troubled and alarmed by the quantity of silver which they find accumulating. By treaties between the Latin nations, France, Belgium and Switzerland, the French franc is the standard coin, and the coinage of the other nations are adapted to that. The only relief from the burden of this excessive quantity of silver has been in the limitation of the amount of coinage (that also being regulated by treaty), which has been increased but very slightly during the last three or four years. That is a difficulty out of which those nations are trying to extricate themselves, but cannot yet find the way. Germany also has been trying to extricate herself from the same difficulty since the war, and although aided by all the indemnity money which she has received from France, still she has not been able to accomplish it. Still, in the face of all these facts, the intelligent Senators and Representatives of the United States have proposed to give us as a new legal tender this silver coinage, the tendency of which is to constant depreciation, and that that tendency is likely to grow and continue is made evident from the depreciation of silver in the East Indies. Silver has heretofore been the preferred treasure, at its relative value, of the people of British India, and I may say of all the Orientals; but now it is found, because of its depreciation and consequent rejection in those countries, that the export of silver from Europe to the East has been stopped, and it is this which has so seriously affected the exchanges as to destroy the profit of the trade between England and other European countries and the East. It is possible that the current, already stopped, may be reversed, and the silver

in the East flow back to Europe because of this depreciation and of the growing preference in those countries for the less changeable gold.

In such an exigency as this, our Congress proposes to give us a legal tender silver coin in unlimited quantity. No good reason can be given in favor of it whatever; the only specious reason given is to make a market for the production of the mines of Nevada. It is reported as having been stated yesterday by the distinguished Senator, Chairman of the Finance Committee in the Senate, that the people of the United States required eighty millions of subsidiary coin for change purposes, when it is known perfectly well that the amount of the fractional currency used since the war has not much, if any, exceeded forty millions at any time; and the sum in actual use has very rarely exceeded thirty millions. We know that it is hardly possible for our people to require, for any purpose, silver coin in a larger aggregate sum than thirty or forty millions. If the legal tender limit is kept as it now is, at five dollars, which is necessary in order that there may be no difficulty about change, our people will be perfectly willing to use this silver subsidiary coin, and they will take just so much as they need for business purposes and no more. But make it a legal tender for twenty dollars, even, and you will increase the amount in circulation very much indeed, because under the operation of a coercive law Congress can compel its use, as we are compelled to use the legal tender notes of the Treasury. One more view of this act: Under the twenty dollar limitation clause it would be a deadly blow to the whole savings bank system of the country. We of the East, and New York, Pennsylvania, New Jersey, etc., feel more special interest in this, because in our Savings Banks we have found the best protection to the small savings of our laboring people; the sum of these accumulations, utilized for the benefit of the commerce of the country, furnishes loans for commercial purposes, for manufacturers, for every good business enterprise, as well as for the improvement of real estate. These savings deposits in the United States, I think, amount at the present time to the sum of one thousand millions — it approaches it very nearly, at any rate. We can readily see that the poor man, rather than submit to the fifteen per cent loss by the use of the silver coin (which he must receive) which he would be compelled to pay in extra price to his grocer, or the party from whom he makes his purchases,— for the grocer, buy-

ing in large quantities, must pay in gold and adjust his profits accordingly,—rather than submit to that difference of ten or fifteen per cent, will seek to place his earnings of silver in the savings bank, and make his checks on the bank for sums larger than twenty dollars. Then the alternative will be presented that the savings banks must refuse to receive the silver coin, or else, accepting it subject to drafts of more than twenty dollars, and therefore payable in the better currency, whether of greenbacks or gold, would lose more in the conversion of this silver coin into the better currency than all the interest they could make on their deposits. It would soon destroy the function and utility of our savings banks. I think, Mr. President, no more need be said as to the facts which bear upon this question. [Applause.]

Mr. BUCHANAN, of Trenton: I am extremely glad that this subject has been brought to the attention of the Board. I have been watching this proposition as it has been before Congress, and supposed there was no danger in its passing. I may say, in the simplicity of my heart, I supposed that the representatives of the people of the United States were not willing to surrender at discretion to the behests of the Senator from Nevada, but it seems that I was mistaken; and when, in this morning's paper, I read the report of what was done in Washington yesterday, I instantly sketched a pretty strong resolution upon the subject, which I will not, however, now offer. The memorial before us is more respectful in its tone, although it does not fully express the intense feeling I have on this subject.

Mr. OPDYKE, of New York: I do not see, sir, that I can add any force to the exceedingly able and vigorous presentation by the gentleman from Boston, of the objections to this measure in regard to silver coinage and silver legal tender. I will, however, present one more feature: We all know by our experience that there have ever been fluctuations in the value both of silver and of gold; fluctuations grounded not on the quantity produced, but on the cost of production. We remember that in 1830, when by the cheapened production of silver in Mexico and South America, our gold coinage rose to a premium of from five to seven per cent, and in consequence it was turned into merchandise, bought up and shipped abroad. Such would be the effect of either of the propositions before Congress. The twenty dollar legal tender proposition, which has been so ably explained by my friend on

the left, would throw disorganization and utter confusion into the payment of all debts, because they would be divided and subdivided and paid in small parcels; and the result would be that immediately all the mints would be turned to the coinage of silver, and just as rapidly as they could coin it our gold would disappear as merchandise, and, in a short time, instead of having a double standard we shall have but one, and that a standard depreciated far below our present greenbacks which we are striving very hard to bring up to the standard of gold. I cannot believe, notwithstanding the threatening evidence presented in the action of the two houses yesterday, that Congress can commit such an act of folly. It would soon give us but one standard of value and that would be silver, with a prospect of depreciation to less than half its present value; in truth it would have to go down to such a point as would absorb it in the common utensils of housekeeping and ornament. If the resolution presented had been stronger and more emphatic I would have liked it all the better. It is, in my opinion, very important that we should adopt it, and do so with unanimity and forward it at once.

Mr. STRANAHAN, of New York: *Mr. President*,—I wish to move that Mr. JOHN A. STEVENS be permitted to take a seat in this Board as a delegate from the Chamber of Commerce of New York, in place of the Hon. WILLIAM E. DODGE, who is absent from the city.

Mr. STEVENS was admitted as a delegate.

Mr. WINSOR, of Philadelphia: I do not intend, gentlemen, to say much about this matter, and after what has been said here this morning, there is certainly no need. Mr. OPDYKE, has said, however, that he cannot believe that the Congress of the United States will pass the bill now before it in relation to the silver currency. It is our duty to do all we can to prevent it from passing, therefore I hope that when this vote is taken, and I hope it will be taken now, that it will be unanimous. [Applause.]

The PRESIDENT: Gentlemen, are you ready for the question?

The question was put, and the resolution was adopted unanimously.

Mr. HOFFMAN, of Philadelphia: I now move that the Secre-

tary be directed to telegraph the memorial to the President of the Senate and to the Speaker of the House of Representatives of the United States, and ask that it be read. I think it had better go at once.

The motion was agreed to, and the memorial was immediately forwarded by telegraph as directed.

**Mr. CANDLER, of Boston:** Are resolutions now in order?

**The PRESIDENT:** Not unless the Board by a two-thirds vote consent to receive them.

**Mr. CANDLER:** I move that the regular order of business be suspended so that I can offer a resolution upon the light dues system. The light dues which are charged by the British government upon merchant vessels. It is carrying out the policy of this Board and endorsing our previous action. We have initiated some reforms through the National Board of Trade.

**The PRESIDENT:** I must ask the gentleman to read his resolution.

**Mr. CANDLER:** I understood the Chair to call upon me to explain my resolution before reading it. It is as follows:

WHEREAS, At the request of this Board, the President has given to Congress and to the public the correspondence which took place during the years 1850 to 1852 between the governments of the United States and Great Britain, relating to the collection of light dues in the ports of the United Kingdom from merchant shipping, the request having been made with a view to renewing the application of our own government, at the proper time, for the relief of American shipping from these charges; and

WHEREAS, At the termination of the correspondence referred to, the Hon. Abbott Lawrence, the American minister at the Court of St. James, writing to the Department of State at Washington, said: "The application was not successful, but at the same time it was not met by a positive refusal, and I am not without hope, since other foreign powers, as well as British ship-owners, are united with us, that, at an early day, a way will be found for effecting this reform;" and

WHEREAS, The shipowners of Great Britain are uniting to urge upon their government the expediency of defraying the cost of the British light-house system from the public revenues, in accordance with the established policy of the United States and other maritime nations; therefore,

*Resolved*, That the National Board of Trade would hereby respectfully ask the President of the United States to instruct the present American Minister at the Court of St. James to reopen the correspondence on this subject at the earliest favorable opportunity, and to secure, if possible, immunity,

at least for the shipping of the United States, from the further payment of light dues in the ports of the United Kingdom.

The PRESIDENT: The gentleman from Boston moves that the rules be suspended for the purpose of proceeding to the consideration of the resolution that he has just read, the subject of light dues having been placed upon the programme by the Boston Board of Trade, in proposition number 23.

The motion was decided lost, two-thirds not agreeing.

Mr. CROWELL, of Kansas City: I move that the resolution just read be referred to the Executive Council.

The PRESIDENT: It cannot come before the Board unless the rules be suspended first, and in that vote the ayes appeared to have it.

Mr. CROWELL: I am perfectly willing to vote for the suspension of the rules if the matter be referred to the Executive Council.

The PRESIDENT: That would be a subject for the action of the Board after they have determined the rules shall be suspended. I will put the question again.

The motion, on being again submitted, was adopted by the necessary vote.

The PRESIDENT: The rules are suspended, and the resolution is before the Board.

Mr. CANDLER: *Mr. President*,—I think that an explanation of a very few moments will satisfy the Board that these resolutions should be passed without much debate. The subject was introduced and acted on, as indicated in the preamble, at the meeting of this Board in St. Louis, and it seems to me we ought to proceed with any work that we commence. If we simply propose any matter to Congress, and then leave it without further attention, we shall accomplish nothing. Between 1840 and 1850 the United States shipping paid twelve hundred thousand dollars of lighthouse dues to Great Britain. In our own country we protect our seacoast, we furnish buoys and lights for dangerous places, the expense of which is borne by the national government. It seems to me that if we can do it over

our vast extent of seacoast, that they can reciprocate and follow our example. It is proper that we should take some further notice of the subject, for the reason that Congress, when we requested them to publish the correspondence of Mr. Lawrence, responded favorably, and published the correspondence between the English government and ours. If we again call the attention of the Government to it, I have no doubt that a resolution will be passed, or that instructions will go from Washington to Mr. Pierrepont, and perhaps still further favorable action may be had. I do not think that it is necessary really to attempt to do more than to make a statement of the case. We certainly should relieve our shipping from every embarrassment, and we have a right to ask from other nations that they should extend to us the same freedom that we extend to them.

Mr. CROWELL: I move the reference of the resolution offered by the gentleman to the Executive Council.

The PRESIDENT: With or without instructions?

Mr. WETHERILL, of Philadelphia: I hope not, Mr. President. I hope that this will receive the unanimous vote of this Board. The mere statement of the proposition that the English lines of steamers come to our ports without any costs or lighthouse dues, and our steamers going to English ports are compelled to pay them, and that, too, in what I consider a very extraordinary and unnecessary manner (paying not only for passing but also for local lights), should be enough. It does seem to me the simple statement of the proposition is sufficient, that the privilege which we extend to English commerce should in like manner be extended to us for our commerce. [Applause.] Now, sir, I happen to know something of this. Monthly I examine the accounts of the American Steamship Co., and I see there these lighthouse dues charged to us, when I know very well that the English steamers in competition with us are coming to our ports without charge, and with all the advantages of our lights. I feel a deep interest in the resolution as offered by the gentleman from Boston, and I do hope from the simple statement of facts which has been made here that these resolutions will pass unanimously and without further debate.

The PRESIDENT: The question will be, gentlemen, upon the motion of the gentleman from Kansas City to refer this matter

to the Executive Council. I will say to the gentleman that if it is so referred it will be like putting it in the tomb, for the executive Council cannot take any action upon it to bring it before the Board at the present meeting.

Mr. HOFFMAN, of Philadelphia: The gentleman does not, I think, understand the resolution. It refers directly to the article that is on our programme, and we are in perfect order to pass it at once.

The PRESIDENT: It is in perfect order to pass it at once, but it is equally in order for the gentleman from Kansas City to move its reference.

Mr. CROWELL: *Mr. President*,—I beg to withdraw the motion.

The PRESIDENT: The motion to refer is withdrawn.

The preamble and resolution was then adopted.

Mr. NOURSE, of Boston: *Mr. President*,—As a matter of courtesy to certain constituent bodies represented in the Board, I would ask leave to move a suspension of the order of business for the purpose of moving a reconsideration of the action of the Board upon the second amendment to the Constitution, which was acted upon on the first day of the session. That is the second amendment to the Constitution, proposed by the Produce Exchange of New York and the Board of Trade of Chicago, to amend Article IV. I move first the further suspension of business for that purpose.

The PRESIDENT: The gentleman from Boston moves the further suspension of the rules for the purpose of moving the reconsideration of the action of the Board on Tuesday, relative to the second amendment proposed to the Constitution.

The motion to suspend the rules was adopted on a division. Yeas, 25; nays, 5.

Mr. NOURSE: *Mr. President*,—I now move a reconsideration of the action of the Board in rejecting the amendment, and with the purpose, if the reconsideration shall be carried, of moving a reference of the subject to a special committee of five, so that it may not obstruct the regular order of business.

The motion to reconsider was adopted.

The PRESIDENT: The proposition is again before the Board.

Mr. NOURSE: Now, Mr. President, I will move that this subject be referred to a committee of five members of the Board, to be appointed by the Chair, to consider and report upon it at some time during the present session.

Mr. ROPES, of Boston: *Mr. President*,—I really think the Board is entitled to have some reason given for this taking up of its time. Not one word of explanation has been given, not one cause has been alleged for changing our action taken two days since. I am perfectly willing to make any change desirable, but I do think we are entitled to have some reason for it.

Mr. CROWELL, of Kansas City: *Mr. President*,—I have another objection to the reconsideration of this question. If I remember rightly, the gentleman offering the resolution for reconsideration did not vote in favor of the amendment; to the best of my recollection there was not a vote on this floor in favor of that amendment, therefore the motion to reconsider from the gentleman is out of order.

Mr. NOURSE: I voted against it, and therefore I am in order.

Mr. Crowell: I will move to indefinitely postpone the whole matter.

The motion to indefinitely postpone was lost.

The PRESIDENT: The question recurs upon the motion for reference to the special committee,

Which being taken, the motion was agreed to.

The PRESIDENT: I appoint on that committee, Messrs. NOURSE, of Boston; HOW, of Chicago; EDSON, of New York; BAYARD, of Baltimore; and CROWELL, of Kansas City.

The regular order of business will now be proceeded with. It is the proposition from the Boston Board of Trade in reference to the currency, and upon that question Mr. BUZBY, of Philadelphia, had the floor when the Board adjourned yesterday.

Mr. CANDLER, of Boston: *Mr. President*,—I wish to offer an amendment to the resolution upon the National currency, to sub-

stitute for the word "only," on the fourth line, the word "chief," making it read "and the chief remedy for existing commercial distress," instead of "and the only remedy for existing commercial distress."

The PRESIDENT: The delegates from the Boston Board of Trade have control of the resolution, if I understand it correctly. The resolution is so modified and in that form will be before the Board.

Mr. BUZBY, of Philadelphia: *Mr. President*,—I hail with pleasure, sir, this evidence on the part of the gentlemen of Boston of softening down, in however faint a degrée, the tenor of the propositions they have submitted to this Board. I give them the credit of being very able and most unflinching advocates of any proposition that they have to submit to this Board. I say I witness with pleasure even the faintest indications of a desire to deal a little generously with us who think in somewhat a different direction. I do not propose, gentlemen, to make an elaborate speech. I know that the subject is trite; I know that the argument is exhausted; I know that experience is daily settling it, and I think that when we shall have reached the middle of next winter, we shall have reached the climax of this question, and that there will be some definite action taken by Congress which will put an end to this see-saw which has been shown in the national legislation heretofore. Had I have been disposed to make an elaborate address I would have had no difficulty in being able to gather figures as imposing as those furnished by Mr. HAYES in his admirable address yesterday, but I will not detain you with these; they have become part of the commercial literature of the day, and to the intelligent and reading men of this Association it is only necessary to ask them to refer to the files of papers and pamphlets which contain that information. Mr. GRUBB yesterday used a striking phrase, or meant to, when he said that the greenback had been aptly designated a financial orphan. It sounds well to the ear, sir, but the condition of the greenback in some sense is even worse than that. An orphan, it is true, has no parent to stand between it and misery, but the greenback has a parent in the government of the United States; and that parent, having begotten it, has seen fit to dishonor it. Now, why is it, that in all the discussions we have had on this subject that we have never had any reference, never any marked allusion at any rate, to the example France has set us in this par-

ticular? Why is it that we do dishonor the greenback? Why is it that the parent turns his back upon his own child? That was not the case in France. She recognized her paper in receipt of all obligations. She did not say to the people "We have created a paper currency which shall be good enough for you, but not good enough for us, the government." [Applause.] A highly discreditable procedure, I think, on the part of any government, and scarcely as liberal as should be expected from a republican government. Why cannot Boston, in her desire to have a speedy return to specie payments, proceed upon some other tack than this continual cry for a contraction of the currency? Why not propose the reception on the part of the government, in the payment of public duties, of a certain part of it in legal tenders, advancing step by step until she can receive the whole in the manner that beggared France has? Is she not now virtually a specie paying country? Of course a legislative act says that she shall become so in a year or two hence, but she is virtually so to-day, and there is no difficulty in the French republic in having gold or paper as you may desire. It is so simple a mode, why not try to apply, on our part, the same remedy? Why resort to such severe surgery? Why kill the patient in the effort to make him better? We are constantly told that we have such an abundance of money that there is congestion, and that what is needed for the country is to destroy one-half of this paper money so that we may become active, enterprising and happy on what is left. Now, sir, it is only in Boards of Trade, and in logical debates on the subject, that I have ever heard a good deal of money pronounced a misfortune. I have never heard that too much money was not good. I think the more money a man has the better off he feels, and the more means he has to command the luxuries and necessities of life. Now, sir, if we have congestion, as has been said before, it is because the body politic is so weak that the proper organs are not able to work, and the blood congests in some vital part of the organization bringing distress to every portion of it. We are told that we have congestion, and to cure that we proceed to bleed, the old method which has long gone out of use and been displaced by a better treatment. Now, sir, every one knows the fact that in cases of apoplexy bleeding is only resorted to in the worst cases and then only because a man is found to have too much blood on his brain. In most cases that a man should have blood taken from him is directly contrary to logic. You find him

weak and take the blood from him and make him weaker ; the doctor makes another call on his patient, finds him worse and bleeds him again, and the probability is that on seeing him the next time he will find him dead. Now, sir, I deny that there is any surplus of currency at all, but they say that there is, and they want the withdrawal of a large surplus. I think they are proceeding like those physicians I have described. Now, gentlemen, I think there is a class of people that we ought to consider in connection with this subject. It is very well, sir, for men in easy circumstances, with wealth and established position, to talk so frequently as they do about "hard pan ;" gentlemen rich enough can indulge in logic, no matter what the pernicious effects of that logic may be upon the times. It is well enough for them to discuss it. They see their way, very possibly see a profit in the future when they have arrived at this same hard pan. But, sir, what is to become of the mass of the people in this same time ? What about the men of moderate means ? What about the industrious employer with moderate capital, who daily sees that capital dwindling away until he is himself reduced to the rank of an employe ? And what of the employe who walks about with tears in his eyes, as I have myself observed, and asks for employment that he may earn his daily bread, and finding his employer not only with nothing for him to do, but reduced to the same condition as himself ? Sir, I have seen scenes myself, where I know the suffering to have been real, which have touched me closely, and I find it wholly impossible to withhold my sympathy from these people. They are very numerous. They do not appear in National Boards of Trade to argue these questions, but they feel it very deeply in their souls. Do you think, sir, for three or four years you are to keep this pressure on the people and they not suffer acutely ? Sir, there are thousands who do not present their sufferings in public but sink away in retirement and expire from poverty and want. I know it to be the case. I know how many men in machine shops and other employments, have, from day to day, shuddered with fear lest the week should terminate their engagements and they would see the time coming when they would have nothing to subsist on. And now, sir, we shall soon pass through the summer time and the winter will approach when every dollar shall be absorbed that is earned, and we shall have this enforced idleness, and, as a consequence, desperadoes and tramps. When did we first hear of tramps in this country ? Not

until this panic came about; not until the hard worked mechanic had to take the road and beg for his bread. Now, sir, I am for a broad and generous policy. I regard the welfare of the people. I would rather see them happy, and I would rather pay a discount out of my pocket, that they may at least have some comfort and enjoyment in life as well as myself. I will not press any theory so closely that it shall ruin millions of people, but rather exhibit some amount of liberality and generosity in the treatment of the subject. And, now then, gentlemen, what will we accomplish by all this? Suppose we shall still further weaken the patient, still further bleed him? We have been doing this all along, and now we see it acknowledged publicly in some of our magazines, admitted in our newspapers, that the treasury of the United States is to-day insolvent on a specie basis. All your contraction, all your severe system, all your determination to press to this end, no matter what the cost, has simply resulted in this—that the government of the United States cannot pay her certificates in coin and is virtually insolvent in coin. Now, if that is the case, why are you to continue pressing on in this system? Why are you to sacrifice the whole welfare of the people? The people in the interior have never been dissatisfied with greenbacks in the manner in which it has been stated. Why cannot we take a lesson from these very politicians who, at St. Louis, on the part of the Democratic party, who, at Cincinnati, on the part of the Republican party, touched this question lightly. The last said gently that it would be wise to return to specie payments as soon as it would be compatible with the welfare of the people, and that was said by the party in power, that for eleven years have been working in every way towards specie payments and have not got there yet, which leads us to infer that they propose to repeal this act of resumption in 1879 and resume in '77, or '87, or '97. We may observe this, that our political leaders are shrewd men. They take trouble, more than any men in the world, to see what their followers can bear, and those men do not give such expressions of opinion as fall from this Board, so unrestricted in expression, so resolute, no matter what the mass of people may think. And, sir, I think it very questionable indeed, if we could go back to the constituencies of this Board, whether we would find, when we came to count man by man, a majority in favor of a proposition like this before us. I would rather that we should imitate the mild expression of these political leaders, and express the

opinion, as the great Republican party has, that we should return to specie payments when it would be compatible with the welfare of the people and not before.

Mr. OPDYKE, of New York: *Mr. President*,—It is not my purpose to detain the Board but for a very short time. I have had no opportunity to make preparation to speak on this subject, and therefore I must trust to the inspiration of the moment for the few words I desire to say. I will endeavor to be in order and speak first, at least, to the resolutions themselves. I should take some exception to many of the expressions in the resolutions, which I do not think are very correct logic, but the substance of the resolutions is contained in the latter branch in recommending the funding of the large surplus of greenbacks. That is the proposition, and that proposition is evidently grounded on the conviction that we have a large surplus of greenbacks. I deny the correctness of that proposition. I have studied the statistics of money in this country, in Great Britain and in France to the best of my ability for the last half-century, as far as statistics existed. I examined the subject quite fully last December. I then arrived at the conclusion, from as careful and accurate a study of those statistics as I could possibly make, that at that date we had a smaller volume of currency in circulation than either Great Britain or France in proportion to our commerce or our population. Since that day we have diminished that circulation in greenbacks, in national bank notes, and in fractional currency to the extent of at least forty millions of dollars. The result I arrived at in December last was, that our existing circulation, making abatement for the gold and silver this side of the Rocky Mountains, which is demonetized and not in circulation, making abatement for the greenbacks held in reserve as security for national bank circulation and deposits, and making a very moderate estimate of twenty millions that may have been lost since the first issue, I found then that our circulation was about thirteen and a half dollars per capita. It is reduced to-day to thirteen. At the present time, France and Great Britain have a larger circulation than that. I think we need every dollar we now have, and in case of reviving business we should have to enlarge it. Therefore, I take the position that our currency to-day is sound and in a normal condition. You will then inquire why is it at a discount? It is, in my judgment, at a

discount because of the slender degree of confidence among business men as to the immediate future. They apprehend future contraction. They apprehend an attempt at forcible resumption, which, I think, every intelligent business man who has studied the subject must be prepared to admit will prove abortive; for the reason that we have not to-day, and shall not have in 1879, sufficient gold to consummate it. Every gentleman here knows that since the end of the war, although we have been producing an average of seventy-five millions of dollars' worth of precious metals per annum, there has not been a year for the last decade but what our reserve has diminished. It has been growing less and less; it has been growing less this season, and I will venture to guess that, unless there be some legislation on the part of Congress to compel the Government and banks to hoard gold to increase their reserves, we shall have less on the first of January, 1879, than we have to-day. Consequently resumption at that time is impracticable. Everybody, or nearly every one, who has studied the subject, having arrived at that conviction, they are reasonably apprehensive of the immediate future. They apprehend that it will bring about another crisis and another depression to a depth far below any we have reached yet. What we need, then, is not contraction of the currency. In my judgment we have not a dollar more than would be fully employed with the revival of business. What we need is a restoration of confidence. We have every element of prosperity in this country that we have ever had. Our crops are good, our people have reduced their indebtedness probably to one-fourth of that which existed three years since, extravagance has diminished, economy prevails, and all we need is some emphatic policy in regard to the currency for the future; and we shall see business begin to revive — revive immediately — until we are restored to our normal degree of prosperity. How shall that be brought about? By contracting the currency? One of the chief elements of the distrust that now exists is the apprehension that that will be done. That will not restore it to prosperity. Will this red flag of vengeance that stands before us, of resumption in 1879, restore confidence? On the contrary, it is the largest element in the destruction of confidence in the future. What, then, is the right policy for our country to pursue with regard to its circulating medium? We have just expressed, with great propriety, our emphatic objection to a depreciation of that

currency by blending silver with gold; or, in other words, sending away our gold and subsidizing silver—a degradation of gold and a depreciation of its power. Now, as my friend from Philadelphia has just said, politicians scrutinize very carefully the tendency of public sentiment in everything involved in the election. We are all aware that the republican party has taken very extreme views in favor of the earliest possible resumption of specie payments. That party passed the resumption act, every democrat voting against it; and with that view they indorsed it at all their political conventions until the last, and why did they drop it then? Because, from their own growing experience and knowledge of the subject, they began to doubt its expediency, receiving, as they have, stronger and stronger evidence that the people were opposed to it. The democratic party recommend its absolute repeal, and I venture to say, with the one unwilling to indorse it, with the other proposing to repeal it, that during the ensuing session of Congress it will be wiped off the statute-book, as, in my judgment, it should be. It has produced great mischief. I speak very emphatically on this subject, because all my studies, all my convictions, point to the fact that it was a means of postponing the resumption of specie payments, and not of accelerating it. What then should be done on the part of Government? They should strengthen the coffers of the Government, and of the banks, with an increase of specie. The very moment they adopt that policy, requiring the hoarding of gold to be ready for the time of resumption, that moment you will see the premium on gold diminishing and the confidence of the business community increasing. Look at France: not driven, during her war with Germany, to so great an expansion as we were, but a large amount of paper money was issued, which she kept nearly at par from the start. I cannot speak with positive certainty, but I venture to say that the contraction of that currency is not equal to her increase of gold coin. Consequently they have got an enormous currency to-day, both of paper and gold, and of equal value in the market. Another bit of experience was had by the British Government. During the wars with Napoleon they were driven from necessity to increase their issues of paper money—never driven to the extent we were—but they found themselves at the end of the war with their volume of circulation, exclusively of paper, about twenty-five per cent. more than it had been before the war commenced. The restoration of peace, the

increased activity of business, brought that paper money very nearly to par within a very few months. So much so that the Bank of England determined that it would be able to resume in 1817. A day was fixed. Some time before that they proclaimed the resumption of their small bills. They had, as I said, determined to resume at a certain day. Their doors had been open but a short time when half of their accumulated coin had been paid out, and they went to Parliament, asking relief. Parliament forbid their paying out any more, and then they went on the very same principle we are acting on to-day, of contraction, until they got their currency reduced to half what it was during the war. And what was the result? Almost every man in Great Britain failed to pay his debts, and became bankrupt; then they resumed. And what has been the policy of that government ever since? That is the special thing to which I want to call the attention of the Board. There has been an increase of currency, not a decrease. They have suffered from the evil effects which have resulted from the policy pursued in this country. They have had many very severe crises, but none of them ever resulted in general mercantile bankruptcy. They gave out more money, and after the panic was broken they have taken it in and gone on. Now, I desire that our people and our Government will learn some of that wisdom which the British Government and the British banks have learned by experience. Our crisis in 1873 could have been averted by the same means. It was averted in 1872 by the same means. It was just as impending in 1872 as in 1873. The President of the United States came to the relief and put out more money, and the trouble was tided over; and the same might have been done in 1873. But we will say no more of the past; the future is what we have to look to. My candid judgment, after a faithful study of the subject, is, that the best way to restore confidence, to revive business, and to reach an early resumption of specie payments, is to let things severly alone; not tamper with the currency at all; leave that precisely as it is, and let the natural laws of trade bring about resumption. I am glad to believe, from the actions of the political conventions, that they are coming to the same conclusion on the currency question. The publication of the resolutions from St. Louis this morning, and those which have been published from Cincinnati, will be the most efficient means of bringing about a restoration of public confidence. I think that all we

have to do, in view of the progress of public sentiment in the right direction, and in view of the curtailment of our currency, which is going on quite as rapidly as the country can stand, is to let things severely alone.

Mr. NOURSE, of Boston : *Mr. President*,— I do not propose to argue this question, or the subject matter before the Board, but I would like, just here, to speak upon a question of fact. The gentleman from New York has referred to the long suspension of payments by the Bank of England, and the process of resumption. Errors of statement in regard to those facts in history have become so broadcast in Congress, in our own Board, and throughout the country, that I wish to introduce a protest of fact, and, with the permission of the Board, I will occupy a few minutes for that purpose. In 1797, when the people of England, under fear of invasion by revolutionary and turbulent France, were making a run upon the Bank of England for coin in exchange for notes, the ministry, by an order in council — knowing that under the pressure of the war they would wish to retain in England, for government purposes, the gold then held by the Bank of England — issued an order in council forbidding the further redemption of the notes of the Bank of England until Parliament should assemble and its order be taken about it. Soon after Parliament assembled, and then, by law, prohibited the payment of specie for the redemption of notes of the Bank of England, until six months after the negotiation of a treaty of peace ; and the bank remained under suspension until the first day of May, 1821. In the year 1800, three years after suspension, the premium on gold remained at about two per cent. In 1801 to 1804, I think it was, or 1801 to 1803, under new issues of notes by the bank, the premium advanced to about eight per cent, fluctuating from eight to ten per cent. In 1804 it fell back again, and ranged from 1804 to 1808 at about two and one-half per cent. Under the fluctuations and vicissitudes of war the notes of the bank, which up to 1808 had been about seventeen and a half millions sterling, were then suddenly raised to twenty-two and a half millions of pounds sterling. Under that increase the premium rapidly advanced until it became twenty-one in 1812, and twenty-five in 1813. In 1797 there were 297 joint stock and country banks in Great Britain and Ireland, those were increased to 400 by the year 1800 ; by the year 1813 they had increased to 942. I

wish the gentlemen to observe this increase of the joint stock and country banks, and these were banks of issue, or at least the greater portion of them were. The period from 1808 to 1813 was one of singular and exceptionally bad harvests in England, intercourse with the continent and with other countries was very seriously interrupted by the condition of war, and imports were restricted by heavy imposts, prices were very high ; inflation of prices being seriously aggravated by the increase of the circulating notes, not only of the Bank of England, but in a still higher degree those of the joint stock and country banks. In 1813 there came an exceptionally abundant harvest, such as had not been known in Great Britain for many years. Under the influence of that alone prices would have fallen very rapidly, but almost simultaneously, and when that harvest had scarcely been gathered, communication was opened with the continent, supplies poured in from other countries, and as a consequence of the opening of communication and the abundant harvest, prices fell to such an extent as to produce general distress and disaster upon all people who were largely indebted. Under the influence of this inflation during the war, and the desire of the country banks to get use for their circulation by loans, use for their money at high rates of interest, the loans were extended broadcast all over the country, not only to merchants and manufacturers, but to farmers. When prices tumbled as they did in 1813 and 1814 there was universal ruin spread over all, except those who had a surplus to pay. There was such a crisis as the gentleman has alluded to, only he has located it in the wrong place. There was very general failure and bankruptcy. The country banks, unable to call in their loans, were, at the same time, run upon by depositors and run upon for the redemption of their notes in Bank of England notes, which was the requirement of that day, the same as our National banks are required to redeem in treasury notes. The consequence of that run upon the banks at that time, when they were not paying specie, was that in a short period, extending from 1813 to 1815, two hundred and forty banks failed. That threw out of circulation their entire issue, at the same time the panic drove in nearly all the issues of the other country banks. There never was such a contraction known in any commercial country as that. It was a contraction that exceeded every effort of legislation. It was the contraction that gave the opportunity for Peel's Bill. I venture to say here that there was no action by

Parliament sanctioning or approving redemption by the Bank of England until Peel's act of 1819, but previous to that the bank had commenced to pay its one and two pound notes to get them out of the way. Even then so cautious was the administration of England that they took four years, and the day fixed for resumption was 1823, but the notes of the Bank of England being actually at par, though nominally at a little difference, there was a continual inflow of gold by the very large and extensive trade arising from England's great manufacturing and commercial interests. So it happened that on the first day of May, 1821, under sanction of the administration, in anticipation of the day fixed by law by two years, the Bank of England announced full resumption upon all its obligations. In Peel's act there had been a provision that, while suspending the day of resumption, any one who wished gold for Bank of England notes, could have gold bullion weighed out for him by the bank at a stipulated price an ounce. Not one single particle was ever taken under that stipulation. What then was the difference between gold and the Bank of England notes during those two years? And now, gentlemen, here is the point that comes. We have heard about the terrible crisis and disaster in 1825. It was true, lamentably true for a great many of those who suffered at that date. But what were the facts? It was preceded by one of the most extraordinary periods of prosperity from 1820 up to the panic. A new impulse, from this and from the resumption, was given to all the great enterprises of England. We must remember that it was during this period of Napoleonic wars that Great Britain developed her great strength and resources as she had never done before. It was at that period that great advances were made in agriculture, that the turnip culture was established. It was during that period that the power loom and the spinning jenny, and, most valuable of all, the steam engine came into active use. It was during the terrible pressure of that time that England, under this extraordinary vigor, peculiar perhaps to her own people, was raised to the fullest exercise of all her power so that she was able to subsidize every power in Europe, except France, and was enabled to come out with them indebted to her at the end of the war. Under such circumstances, is there any parallel between that government and ours, when our government, at the beginning of the war, suffered every dollar of gold to be sent away as merchandise instead of calling it in as a loan. Why did they not take the

gold and put it in the treasury of the United States and keep it there as a basis for a debt to be made afterwards? What was the difference with France? She kept all the gold in the banks, took the risk of an invasion and kept it all, and her suspension was merely nominal, for the gold was there. She has been able to keep it so that by gradually redeeming all her small notes, she has got to a point where she can very readily resume payment at once, but has postponed it. And why? Because she had to pay this enormous indemnity to Germany. These are facts, and I hope that gentlemen will take them for what they are worth, and that they will not accept wrong, and false, and misleading statements concerning that extraordinary period.

Mr. OPDYKE: I would like to say—or first, I would like to know what wrong and false and misleading statements I have made?

Mr. NOURSE: I referred to the errors that have been made, as I stated in the first part of my remarks, in Congress and in the press, and to the errors that have been made elsewhere; not intending to speak of the remarks of Mr. OPDYKE.

Mr. OPDYKE: I understood the gentleman to say that he wished to correct some statements that I had made in presenting facts. Now, gentlemen, I happen to be quite as familiar with the financial position of Great Britain during the Napoleonic wars as my friend who has just addressed you. I did not go through the whole preliminary history to show the progress of this matter, nor has he gainsaid a single assertion I made, except on one point. It is that the severe crisis occurred in 1813, and not after 1817. It is very true there was a crisis in 1813 as well as in 1817. Then he remarks that the renewal of prosperity in British commerce had furnished them with a means of resumption. The history of the Bank of England shows that they had borrowed and purchased from abroad an amount of bullion to swell their coin up to ten millions sterling, and gave notice that on a given day in November, in 1817, they proposed to resume the redemption of their circulation in full. They had proposed and were ready to redeem all five pound notes at a period four months earlier than that, although none came in because they were employed in circulation. But they did, I think, give four months' notice of redemption, the Bank fortifying itself by the loan and

purchase from the continent of ten millions and a little upwards. The premium on gold was less than four per cent. They opened their doors and in two hours half of it was gone. They went to Parliament and asked for relief, and immediately Parliament passed a resolution forbidding their paying out any more. Then they went to work, as I said, curtailing. My friend denies that. If he will look at the history of the Bank of England he will see the immense curtailment of the Bank from 1817 to 1820. I do not know the figures, but I think it was a fourth of it, and it did produce one of the most widespread panics that their country has ever experienced. Then, with regard to the period after resumption. It was the period of the wildest speculation ever known in Great Britain, something we cannot conceive of in the present day, and it brought about a reaction and a run upon the Bank. They paid coin and lent money to everybody that came until they had only a million sterling of gold left, and the panic was broken. And that has been their policy ever since. In reply to my friend, I will say I stand by every statement I have made.

Mr. ALDRICH, of Providence: I merely wish to offer an amendment to the resolution. It is to strike out, after the word "basis," on the fourth line, the words "by withdrawing from circulation the large surplus of legal tender notes which cannot be maintained on a par with coin," and also to strike out the word "these" on next to the last line and insert the words "the surplus legal tender," so that it will read:

*Resolved*, That the present stagnation of business and superabundance of idle capital, which are the necessary results of inflation and extravagance, ending in collapse, furnish a most favorable opportunity for replacing the pecuniary transactions of the people on a sound basis; and we call earnestly upon the Congress of the United States to delay no longer the necessary steps for funding or otherwise redeeming the surplus legal tender notes until those which remain in circulation shall be at par with coin.

Mr. ROPES, of Boston: May I be allowed, on behalf of the Boston delegation, to accept that amendment, as it accords with our wishes, and with the sentiment expressed in the resolution; and, if I may take one single moment, I wish to thank my friend, Mr. OPDYKE, for having so admirably proved the desirableness of this resolution, and brought facts in support of it, as he has done just now.

Mr. PRICE, of Scranton: *Mr. President*,—I rise to offer an

amendment, and that is to strike out all after the word "by," on the fourth line, to the word "redeeming," on the next line from the last, and inserting between the words "redeeming" and "and" the words "in gold"; and also striking out the two words "these notes" after the word "canceling" and before the word "until," and inserting "legal-tender notes in amounts not to exceed one hundred million dollars annually," so that that part of the resolution would read—"by redeeming in gold and canceling legal-tender notes, in amounts not to exceed one hundred million dollars annually, until those which remain in circulation shall be at par with coin."

Now, Mr. President, I believe in a standard of value, and that that standard should be hard money. I believe in the standard as I believe in the yard-stick standard of the dry-goods merchant; as I believe in the standard of the bushel, and the quart and pint. I do not believe that we can depart from that standard and live. At the same time, I do not believe that there is too much circulation in the country. I sympathize with Mr. BUZBY, of Philadelphia, when he draws the veil aside and presents the view he has of the poverty of the land. I come from a district (the anthracite coal region) which is suffering more to-day, probably, than any other district in the country. Fifty to sixty thousand men are virtually under the terrible doom of poverty, and who have no employment. I know that there are families there that are living upon salt and potatoes; and I know that the sentiment that is being developed there to-day is revolutionary in its character, and we must recognize it in some way that will bring relief, or else revolution will come; and if it starts in that district, with the power that the fifty or sixty thousand men there have, and with the sympathy of the other laboring men who are in a similar condition, if it starts with them, who can tell where it will not spread in its progress. Hence I say that I sympathize with my friend, Mr. BUZBY; but still I say that it is necessary to hold to some standard; to cling to some central point around which we can continue to rally. I do not believe in immediate, or speedy, or rapid measures, to accomplish these things, and hence I have offered my resolution, which would be letting ourselves down gradually, and at the same time not overlooking at all the standard of a gold basis. The Bank of England has been referred to here in reference to this question. I am sorry that I have not the time or opportu-

nity to look up that question ; but, as my memory serves me in reference to that point, I think that the period which has been referred to in regard to immediate or general resumption furnishes argument entirely on the side of the question as advocated by Mr. OPDYKE. If I remember correctly, in the year 1800 the Parliament of Great Britain passed a resolution to resume. The Bank of England was unable to do it at that time. She floundered along until 1809, when it was again resolved to resume in 1811. When the fixed day in 1811 came they found they were again unable to do it. The suspension still continuing in 1815, if my memory serves me correctly, they again passed a resolution to resume in the year 1818, making a fixed day therefor. Again when the day came they were unable to resume ; and then came forward Peel, in 1819, with the Peel currency act, which simply gave the privilege of resumption after May first, 1821 ; simply gave the privilege of doing it, not ordering it done absolutely. So I say that if you consider the circumstances at that time in comparison with ours, first the war and disturbance on the continent, then the period of peace, and the parallel is as complete between that country and this, it seems to me, as it possibly can be. In the face of the experience of the great English nation, I say that that example is worthy at least of our serious consideration ; and I will say further, that I do wish to see such an arrangement adopted as will give our business interests—our poor starving working men—the privilege of making some terms in coming back to a specie standard. I offer this amendment as I have read it, and this explanation of my general sentiments on the subject.

Mr. DORR, of Buffalo : I would call for the reading of the resolution under consideration as it now stands.

Mr. ROPES, of Boston : *Mr. President*,—I will remind the Chair that the amendment of the gentleman from Providence having been accepted by our delegation that that is the form of the resolution ; that was accepted, as I trust will be understood, with a view to conciliate and to show the unwillingness of the members offering the original resolution, to stand on any mere form of words.

The Secretary read the second resolution as amended and accepted by Mr. ROPES.

**Mr. DORR:** *Mr. President,*—Is it in order now to speak to the original resolution?

The PRESIDENT: You can speak to the whole subject.

**Mr. DORR:** I wish to say a few words with reference to the first part of the second resolution. I will ask is it not a proper time to extend the inquiry a little further? The resolution says, "that the present stagnation of business, and superabundance of idle capital, which are the necessary results of inflation and extravagance," etc. May it not be proper to extend the inquiry to the reasons and causes why there should be so many idle men and women, of which a vast multitude are suffering all over this broad land, for even the necessities of life; nor are they confined to this country of ours only. The same statement may be applied to the whole civilized world. The superabundance of capital may be readily traced to the inflation of our currency.

We hear a good deal said about money and its uses, hard and soft money. Just now, it appears, there is more money in this country than can be profitably or safely put into use, and thus in the midst of plenty of money a large portion of our people are suffering for the want of bread with which to sustain life. It is a difficult problem to solve, to know how to provide a remedy for the distressing state of things that exists in this country. But I for one would like to have this particular thing dwelt upon and discussed at this time.

I have seen it stated in some of the newspapers that the mission and usefulness of the National Board of Trade would not accomplish all that its friends hope for. That may be so, but let us all strive to accomplish all the good we can.

It was my good fortune to have been honored with an appointment to the preliminary meeting held in Boston nine years ago, to recommend the organization which afterwards took place in the city of Philadelphia, when our worthy President was first elected to preside over the deliberations and the workings of this association, and most of its meeting have had my attendance since. I am familiar with its work and of its acts. To those who know what good work it has already accomplished no explanation or apology is necessary. That work has been, of course, only as recommending legislation. It has been necessarily a silent one, and the success of those recommendations, and the influence it has exerted has not been promulgated publicly through the newspapers of

the day. But our people can be assured that its influence has been beneficial in a very high degree upon the legislation of the Congress of the United States. It is well known to you here present, but not to the public generally, that it has been the custom of the council with its President, for several years past, to hold meetings in the city of Washington to present to Congress, by memorials, its views and its wishes, and to exert such personal influence as each member of the Council might possess upon the individual members of Congress.

It is well-known to those who have been there on this self-sacrificing mission, with motives only for the greatest good of the people of this country, what good has been accomplished. This much, Mr. President, in answer to those who claim that the mission of the National Board of Trade, for the past eight years or more, has been a fruitless one and void of good, tangible results, when, on the contrary, much valuable and important good has been accomplished in a silent, quiet, unobtrusive way, and I hope that members of this National Board of Trade will continue the good work. And now I trust the first part of this resolution, presented by the Boston Board of Trade, may be dilated upon and fully discussed. It is a subject well worthy the consideration and full discussion of this Board as one in the interests of the people at large in this country in their present depressed condition.

There are very many able men present, coming from different commercial points who are well qualified to speak on this most important subject. I for one would be glad to hear them. I would like to have some gentleman explain, if he can, why, with this great surplus of capital, why this great depression in this country, and in fact all over the world, and what is the remedy? We all know that in other parts of the world a depreciated currency cannot be plead as the cause.

This question of the currency has been discussed by this body for several years, and it has been before Congress in all sorts of shapes. Parties are quite as much divided upon it as they are upon religion and politics, and I have never known of a man being converted yet. - But there is something beyond this. The interests of this great people who produce more than they consume. Why is this? Is it because there are too many idle people? There is money enough, such as it is; more than can be used; but if the people have none of any kind what good does it

do to present to them the question of resuming specie payments ? What they want is some kind of employmenat and relief. If members of Congress choose to disregard the representations of this body, the fault does not lie with us. There is no politics, no religion about this meeting. We have held our meetings in different parts of the country, and have tried to become familiar with the wants of all sections, and if we cannot do any good I would like to know what body of men can.

Mr. HENRY, of New York: *Mr. President*,—I see the Hon. PETER COOPER is present in the room, and I would like to yield the floor for him to make some remarks on this subject. I therefore move that Mr. COOPER be invited to address us.

Mr. LANE, of New York: May I ask whether Mr. COOPER is to speak as the representative of the commercial associations of New York?

The PRESIDENT: No, sir, Mr. COOPER can only speak as an outside gentleman whose views might be considered as instructive and bearing upon the question now pending before the body. He would have no right, under our constitution, to occupy the floor, but if the Board choose, by unanimous consent, to hear him, of course it is competent for it to do so.

Mr. LANE: I regret that I shall then be obliged to object, Mr. President; we have a great many propositions yet to consider, and particularly as we have Mr. COOPER's views on our desks in print.

The PRESIDENT: A single objection is fatal to the motion.

Mr. STEVENS, of New York: I had the honor of appearing before this body in Baltimore, in 1874, and then you will remember, that a considerable amount of the legal tender notes which had been withdrawn had been put out by the Secretary of the Treasury, and the question with this body at that time was whether they should advise the Secretary of the Treasury or not to retire those notes. At that time there were a few gentlemen in the Board who thought that we had not enough paper money, but I have not heard that stated to-day, and I propose to put a pin there. The Board then, by a large vote, requested the Secretary of the Treasury to retire the amount that had been put out. Some of the gentlemen who are on this floor to-day, who have shown a disposition to stand still, showed a disposition at that

time to stand still, and I ask whether the policy of standing still has been of any great benefit to us? We have been looking abroad for examples. I cannot see, and in my weak way I have endeavored to study this question, I cannot see what sort of relation the discussion of the resumption of specie payments in England has to do with resumption here. The Bank of England is a bank of discount and deposit. It has control over the mercantile operations of the country by its power over discounts. The old National Bank of the United States had such a power, but I believe that we have definitely abandoned any plan of a National Bank in this country. Therefore, in what form shall we imitate the policy of Great Britain? Without any controlling power over the discounts of the country we can only control the issue of the Banks or of the Treasury department. But we may look to Europe for one thing and find another, from which, perhaps, we may learn our lesson, and I will start by laying down the proposition which I think is incontrovertible, that a circulating medium is sound, precisely in the ratio of its coin to its paper. If coin is money, if coin is the only money, and if paper is only the representative of money, then of course the circulating medium is strong as it is strong in coin, and weak as it is strong in paper. Is not that undeniable? Look at England. I believe its paper currency has never exceeded forty-four millions of pounds, and it has coin to the extent of one hundred million pounds sterling. In other words, the ratio is five dollars of coin to two of paper. Now, if we will look to France we will learn our lesson even more thoroughly, because she has always maintained a larger ratio of paper to coin than any other nation.

I have stated that in England the ratio of coin to paper is that of five to two. Now in France the ratio of coin to paper is that of twelve to five; in other words there are twelve hundred millions of coin in France and five hundred millions of paper. Before our war the largest amount of paper money that we ever had out was two hundred and fourteen millions of dollars, as estimated by Mr. Pollock, the director of the mint, and agreed to by Mr. Chase, and at that time there was four hundred and seventy-five millions of coin in this country, or nearly five to two, while we have to-day one hundred and fifty millions of coin, two hundred millions at the outside, and seven hundred millions of paper. Now, sir, the question is not whether the government shall take in its paper, or whether the banks shall take in their

paper, but somebody has got to take in their paper, for some paper must be taken in if we ever expect to get to coin. I am one of those who believe that that ratio must be established, that we must have a proper proportion of coin to paper currency, and that that proportion can be only reached by contraction. I do not believe in a policy of government resumption. I do not believe in the policy of naming a day for resumption.

It was believed by all careful observers in 1874 that then was the time when contraction should commence; when the amount of paper money in the country was least needed. The destruction of our great railroad enterprises and other similar works in the West left a large amount of money unemployed. Then was the time to commence contraction, and by not commencing then we have lost two years. I have said that I did not believe in the fixing of any day by the Government, because I believe that if the circulating medium is reduced to the point at which not a single dollar more is out than is necessary to carry on the business transactions of the country, I believe that that day specie will float at par. I do not believe in the policy of hoarding by the banks or by the Treasury—that is, hoarding to resume on a given day. I want to make the whole body of the currency sound. Let us look at the policy of the Bank of England again. There is a mistaken idea about the Bank of England. The Bank of England never denies a discount—never. It adopts a process to find out what the coin in its vaults is worth. In case of a demand for coin in France, all kinds of securities are thrown on the London money market for coin; and in order that the coin may not be taken abroad at a low rate, the Bank of England raises her rate to protect her own coin, and to throw the demand upon the coin in the pockets of the people, that she may preserve her own share, to protect herself, and that the outside public may know precisely what the value of coin is, but she don't stop it altogether from going. The securities are sold on the market until the French people say: "We cannot do any better in the markets of England than we can at home;" and then the drain stops. Now, I cannot see how any true system of finance can ever leave the circulation in the hands of the banks. I would prefer to see greenbacks alone made equivalent to coin, and let banking be done upon them. But that evidently is not the policy of the country, and I do not intend or propose to press any such matter. I do not care what is taken in, so long as

something is taken in, and we get coin. Until we do reduce our paper, coin will flow abroad. We have produced enough in ten years to be the strongest specie country in the world; and with a limited circulation we would be the strongest financial country in the world.

I will speak now, gentlemen, to the point in the resolution where it is now proposed that we shall take the necessary steps for funding or otherwise redeeming these notes, and so on. Now, gentlemen, we had an idea a few years ago that, by the possible development of the industries of the country, we might grow up to this amount of money. But supposing we did grow up to our eight hundred millions, whenever there comes a foreign demand for coin we would be under the harrow again. I will turn now to the point about stagnation of business, of which my friend from Buffalo spoke. It is perfectly true that the same stagnation exists all over the world; but we do not suffer from stagnation. Our difficulty is want of confidence; but it is not the want of confidence that exists here, but the want of confidence that exists on the other side in us. Our difficulty is, that from our extravagance and bad management, such as was developed in our western railroad system, the people on the other side are no longer ready to lend us money to carry on any new enterprise. I think I laid it down as a proposition in 1874 that it is a great mistake to think that we can ever be anything but borrowers from Europe. They have the large capital. And I have also said before that there is no better business for this country to do than to be borrowers of money at foreign rates, say three and a half to four per cent., if we can use it for the benefit of this country for the equivalent of eight or ten and twelve per cent.; and if we wish to continue that process of borrowing of foreign capital, which, once planted in a railroad or bridge, or house, can never be taken away, we should be faithful to our engagements. In that respect there is another difficulty. In the first place, the foreign war created new avenues for the employment of capital; and, in the next place, the fear of another war is shaking Europe from center to base. It is to be hoped there will be no such war, although it might give us some prosperity in making a demand for our surplus products. Mr. President, I will repeat, therefore, the only point which I rose to make, that the only way, if we have had inflation, and there is no doubt of that, we can only find out, so to speak, where the healthy skin is by cutting

off the cancer. That is the surgery that ought to be applied. Cut it off until we get down to the normal state, and I can assure you that as soon as we touch the flesh itself we will hear the squeal that will tell us we have got down to the hard pan. Mr. President, I am glad to-day that I have not heard again what I have occasionally heard from our friends in New England — an attack upon the greenback. Now, I am very fond of the greenback. I like it better than anything else, unless it is the thing that it represents ; and I believe that the western people are better satisfied with the greenback than with the bank note which they believe is issued in the interest of a special class of the community, while the greenback is issued in the interest of the country itself. I say again that, begin at whichever end you will, we have got to cut off paper before we can restore health to our circulating medium ; and that we will know the rate of necessary contraction precisely by the value the money will reach.

Mr. BUCHANAN, of Trenton: If there is any delegate here who has not his mind fully made up ; if there is any delegate here who honestly desires any further information upon this subject, any more light upon this topic in any way or shape, I will not make the motion which I now rise to make. If such there be let him speak now or forever hold his peace.

Mr. ROPES, of Boston: I assume this to be a threatening of the previous question ?

Mr. BUCHANAN: Yes, sir.

Mr. ROPES: We have had so many complimentings that I would like to be allowed a few words, and I hope I shall not be considered as intruding my views. Let me begin by thanking the gentleman from New York for the very able and admirable views he has presented to us, and let me say to him that it was not Boston, and that there was only one single instance, one single delegate from Boston, who ever undertook to speak against greenbacks. For myself and my colleagues, I can assure him that I was in favor of greenbacks as long as they could be upheld against National bank note currency ; but the powers at Washington determined to have National bank notes, and we had to submit. My friend from Philadelphia (Mr. BUZBY), I will not say divided his speech up into six heads, but he has taken six heads of the hydra which we have to oppose. For some reason he seems to

think that everything in the way of unrighteous gain points toward Boston, and that Boston should be looked after so that she could not plunder the rest of the country. Let me assure you that Boston has suffered as much as Philadelphia, if not more, from the expansion of the currency. My friend seems to think that Boston has a desire for the reform of the currency, which is not equally shared by the rest of the country. I say on the contrary that Boston and Massachusetts having, perhaps, for its size, a larger amount of realized capital, is possibly in a better condition to guard itself against the injustice which results from a demoralized currency, than those sections of our country where capital is more spread out and less available. Then let me refer to what I may call the class argument, and that is that those gentlemen who are engaged in the foreign trade, for some reason or other, are supposed to be particularly desirous of restoring the gold standard. Now, sir, I do happen to be engaged in a small way, in foreign trade, but let me say that those people who are in foreign trade and are desirous of continuing their business in gold, find no difficulty in arranging their affairs in connection with the domestic currency, and that the loss and inconvenience which result from our currency does not fall upon the foreign trader, but upon the unfortunate consumer who is obliged to purchase the imported articles. Then comes number three, the personal argument. Men who are well off, who make their means of subsistence in a comfortable way, and who are not obliged to work every day with their hands for their living, may find it very easy to insist on a reform in the currency, but what are we to do with the laboring classes? Now, Mr. President, I think it very probable that there are certain delegates here from western or southern delegations, who might be able to buy out the whole Boston delegation, but what has that to do with the considerations before this Board? What has the personal position, or the local position, or the wealth or poverty of any member of this Board to do with his conscience and the honesty of his opinions, or the justice of the arguments which he makes before this Board? I have no more to say, Mr. President, on that subject, and I am almost ashamed to have been so personal as this on such a point and in such a company. Now, Mr. President, we next come to the surgical argument, as I may aptly call it. Our friend spoke with great zest of the amputation, the bleeding, et cetera, implying that it is a surgical process; and what is it? It is the frightful

operation of taking away the money from the people ; it is compelling them to part with that which is as their very life's blood to them. I suppose that is what he meant. Now, sir, I am not aware that any one on this floor advocates taking away any money that belongs to any one else, or allowing any one to take his money, as I am sure that what little money I have in my pocket will not be taken away without my consent. But, Mr. President, if I desire to exchange it for something better, and I go to the government with an humble petition for them to redeem it and they do so, are they performing a surgical operation on me ? I am not distressed by the operation. I confess I do not think so, Mr. President. Then comes the medical argument, which is quite analagous to the surgical argument, and, as I understood it, it is this, that the Boston delegation are in favor of bleeding the community until they have taken away all their money, and then leave them to die of inanition. Now, Mr. President, the blood consists of certain vital parts and of water. Now, if you go on adding nothing but water to the blood, and then draw away the blood from the veins, you draw away the water, but also, unfortunately, the vital parts. Now, we have gone on adding an inflation of what I will not call water, but paper money — what is not money, but should be. We have gone on adding, as our friend from New York tells us, but I am sorry to say I do not believe his estimated statistics. I have never found one word of Mr. Chase's representations true, but assuming it to be true that we had about two hundred millions of paper and five hundred millions of coin at that time, then it is evident that our life-blood had a very great preponderance. We have gone on adding two hundred and fifty millions, then one hundred and fifty millions more, and still more after that, and then National bank note circulation, until we got the grand total up to something like a thousand millions. Since then it has been slightly diminished until it is now between seven and eight hundred millions, and the coin has been diminished until I scarcely know what we have, perhaps not a hundred millions. Now the difficulty is not that we have been bleeding too much by taking away the paper, but by taking away the coin ; or, in other words, drawing off the watery element and not adding any of the vital element. That is the trouble with this country. We have a circulating medium of seven or eight hundred millions and the element of coin in it is altogether too small. Now, Mr. President, comes the economical argument.

What a sad thing it is for people to be deprived of their money; what a sad thing for us to come here and say that the people having seven or eight hundred millions should be deprived of it. But they have not got it, Mr. President; they have promises to pay money, but every one is a broken promise. Are we to call it a great misfortune to be deprived of this sort of stuff? I wish every one of these false gods could be cast into the furnace.

And that brings me to the final argument—the theological argument. “I will not worship—” said the gentleman from Philadelphia—“I will not worship the gold and silver coin.” Neither will I, Mr. President. I will not make it a god, but I will make it a very useful servant. Gold and silver coin are just as much the legitimate instruments of commerce as the yard-stick and gallon measure, and pound weights, and ships, and a thousand other instruments of civilization; and, Mr. President, you can’t do without them. We don’t ask our friends to worship but to use them for their legitimate purposes, and no other. We ask them to use paper for its legitimate purpose—for the making and recording promises which are to be kept, but not for making or recording promises which are never to be kept. And may I be allowed to devote one single word to my friend from New York, who tells us that there is not gold enough in the country to resume. That has been answered by my other friend from New York. There is gold enough, Mr. President, to resume in Washington, or New York, or Boston alone if our circulation was on a proper basis. When it was on a proper basis it did not need five millions of dollars of gold to adjust the circulation of this country. There was not five millions of gold coin in the banks of Boston twenty-five years ago, when I returned from Europe to this country; when everything was prospering and men were making money as they never have since, and manufacturers and working people were prospering, and the reason was that the purchasing power of the money was double what it is now. As I said, there was not five millions of dollars of coin in Boston, and I do not think there was fifteen in New York. There were no promises given that could not be strictly and honorably given and kept. Let this country want coin again, and have a legitimate demand for it, and it will come by the millions and hundreds of millions. There are three hundred millions in France to-day. When did this country want anything and not get it? They have only to ask for anything they want and they

have the credit to get it, and we can have gold enough to fill up this room if necessary. But we shall not want a dollar of their gold if we follow the judicious course proposed by the gentleman from New York. I will not speak of France, but I will speak of England. Mr. OEDYKE has said that England let out money when money was wanted, but always took it in again when it was easy. Now, Mr. President, our Government let out money three years ago when money was desperately scarce, and when the people were fainting for the want of it (I mean paper money), but to-day is the time to take it in again. And let it be understood that the contraction which is desired by us is not an oppressive—not a forced, not an arbitrary, not a compulsory contraction, but that voluntary contraction which allows every man in this country who has greenbacks to bring them into the Government, and to receive—if they cannot give him gold—to receive a bond bearing a moderate rate of interest. We accomplish the object, Mr. President, and does anybody say there is any hardship in that? There is nothing but the most simple and voluntary payment of a debt already admitted to exist, a debt contracted fifteen years ago, and which has never been paid; and we simply ask that, where individuals hold the evidence of their debt and come to the Government and ask to be paid, and the Government cannot pay them at par in coin, it shall give them genuine promises to pay at a certain day, bearing moderate interest. Is there anybody in this city who would not say to a person who was indebted to him, "If you cannot pay me, give me your interest-bearing note?" And that is all we can ask the Government of the United States to do. I feel certain that I have overstepped the full limit of my time, and my friends, I am sure, will excuse the physical infirmity which compels me to be a little irregular in my mode of speaking.

Mr. WETHERILL, of Philadelphia: I just want to say one word, sir. Although I shall vote for the proposition before us, yet, in examining it carefully, I cannot see how it practically gives the Executive Council any instruction as to how it can, or is to carry out the views which the gentlemen from Boston desire to express in that resolution, as the Executive Council have no power to enlarge. Therefore, it seems to me we should go still further than these resolutions go, and say what, in our opinion, the Executive Council should do when they go to Washington; and let

them go with a practical message from this Board, which the Members of Congress can understand, and which will, if adopted, be productive of some good. Now, before I press that, I desire to say just a word in reply to my friend BUZBY, and my friend, Mr. PRICE, of Scranton. I listened with a great deal of pleasure to the eloquence of my friend, Mr. BUZBY. He drew a touching picture. He drew a picture which, doubtless, could not help but have some effect on the minds of every one of us; and when I heard of the condition of the working men in Scranton I also felt a degree of sympathy for the suffering in that locality; and after hearing it I thought, why is all this, what is the cause of the distress in Scranton? I thought, I suppose it is because the coal companies bring more coal to market than they can sell, and therefore there must be a cessation of labor. Then I thought, why is it that the coal companies bring more coal to market than they can sell? I suppose because the rolling-mills throughout the country, and particularly those engaged in the manufacture of railroad iron, have no orders. Then why is it that the rolling-mills have no orders? They have no orders because new railroads are not being built. Why is it that new railroads are not being built? Because they cannot borrow money from abroad to build them. Why is it that they cannot borrow money from abroad to build railroads? Because so many useless railroads have been built that hundreds of millions of borrowed money already is in default. And why is it that so many useless railroads were built, and why is it that they are now in default of interest? Because we had so much money after the war that we did not know what to do with it. That is the trouble: because the inflation of the currency of the country led us into extravagance, and that led us into wild and reckless speculation, and we are now suffering from the effects of that extravagance. Now, again, we have heard a good deal of the political aspects of the financial question, and we are told that the Republican party, although they fully indorsed hard money, and although they fully believe in the resumption of specie payments, yet they never alluded to the resumption act of January, 1875; and why did not the Republican party allude to that act? Because, for some reason or other, there was a failure at Washington to pass and carry out the requisite measures which are necessary in order that resumption may take place in 1879. They say—and we have indorsed it, and probably every board represented here has

done so — this Board indorsed that act in Philadelphia in June last. The Boston Board of Trade has indorsed that act, and believe that it is a proper act and can be carried out. The New York boards have done the same thing, and my own board has also indorsed it; and I, for one, do not feel to-day like taking the back track, and that what we did a year ago was an improper action; and I hope that this Board will be consistent and stand together by what they did last June, and the indorsements which they have made since. Now, what was the trouble about the act of January, 1875? Simply because the Congress of the United States, instead of saving the money and using the necessary means of retrenchment and economy, in order to show to the people that they were getting ready for 1879, we are presented with a statement on the first day of June that there is in gold in the Treasury seventy-seven millions of dollars; but, when we come to examine that carefully, we find we are in a worse position to-day than we were a year ago. Seventy-seven millions of dollars of coin in the Treasury, with thirty-five millions of coin certificates that may be presented for payment at any time, and thirty-six millions of dollars of accrued interest due on the first day of July, and five or six millions of dollars of accrued interest already due and unpaid, and I do not know how many millions of silver is included in what they call coin in the Treasury, so that we are, probably, five or six millions of coin short of our coin indebtedness to-day. Now, I can understand why political parties, although they know the pulse of the people thoroughly, and although they know that, taken from one end of the country to the other, the whole people is sound on the currency question; after legislating that specie resumption should take place in 1879, now recognize their inability to carry out what they agreed to do. Therefore, the politicians on the one side did not allude to the act which they had passed; and the politicians on the other side condemn that act because they think that, in condemning that act, they can escape the responsibility for the lack of preparation for its accomplishment. Now, therefore, I desire to say to the Executive Council that we wish you to go to Washington and present to Congress a plan for the resumption of specie payments, based upon a retirement of not exceeding three millions of legal tenders monthly, to be funded in a long bond at a low rate of interest. Now, that can be done by a bill similar to the one which I hold in my hand, which was introduced in the

House of Representatives last winter by Mr. Whitehouse. I understand that bill meets the approval of, probably, a majority of the Executive Council, and it seems to me would meet the requirements of the case. It is not a very long bill, and if you will permit me I will read it:

"A bill for funding legal-tender notes into bonds bearing interest at the rate of four per centum per annum.

*"Be it enacted by the Senate and House of Representatives of the United States, in Congress assembled,* That the Secretary of the Treasury be, and he is hereby, authorized to prepare bonds of the United States, either coupon or registered, to the amount of four hundred million dollars, or so much thereof as may be necessary, said bonds to be of the denomination of fifty and one hundred dollars, or any multiple thereof, and to be payable in gold at the expiration of forty years from the first day of July, eighteen hundred and seventy-six.

"SEC. 2. That said bonds shall bear interest at the rate of four per centum per annum, payable in gold semi-annually."

There we have provisions for a long bond and a low rate of interest.

"SEC. 3. That said bonds shall be exchanged at not less than their face value for notes issued under the authority of various acts of Congress, and known as legal-tender notes; but the exchange of said bonds for such legal-tender notes shall not exceed three million dollars each month."

Now, if we can fix that as a maximum it will be well; and we seem to be generally agreed that contraction is the only remedy. Let any man rise in his place and say that he can, on or before 1879, bring about specie payments on a more sure and safe and reliable basis, for I contend that on no other basis ought this government to resume; and that it should take up no policy that should be wanting in any way in regard to stability and certainty. It seems that by a limit, taking three millions as the maximum, that we would probably reach as near the limit of contraction, at the end of three years, as would be required. To continue:

"SEC. 4. That said bonds shall be available for deposit in the treasury of the United States by national banking associations, as security for their circulating notes and other liabilities to the government, under the provisions of the various laws relating to national banks."

I think it would be as well to add that, so that men will not be afraid, and that as you take in greenbacks there may be provision for letting out national bank notes.

"SEC. 5. That the legal-tender notes received in exchange for the bonds issued under this act shall be destroyed under such regulations as the

Secretary of the Treasury may prescribe; and all provisions of law inconsistent with this act are hereby repealed."

Now, it seems to me that there is something practical in that. This resuming upon general principles and in a general way is very much, to me, like the political platforms of which we have heard so much.

It does seem to me that we should present to our Executive Council something tangible and practical and that can be carried out, and not send them to Washington empty-handed.

Mr. PARKER, of New York: I wish to offer, as a substitute for the resolution offered by the gentleman from Boston, the following:

The PRESIDENT: It will be in order as a substitute or as an amendment to the amendment offered by Mr. PRICE, of Scranton.

Mr. PARKER: I will read the resolution:

*Resolved*, That the National Board of Trade affirms that in its opinion the chief cause of the commercial depression now existing, is the uncertainty that exists in regard to the resumption of specie payments; that the government should immediately inaugurate such measures as shall assure the people that its pledge can and will be carried into effect on January 1, 1879, or else repeal the law, and a general pledge be made upon the part of the government that all its legislation shall tend toward the resumption of specie payment at the earliest practical moment.

Mr. BUCHANAN, of Trenton: And now, Mr. President, noting the fact that we are now considering the fourth of the twenty-four subjects on the programme, and remembering that we are in the third day of our session; and, above all, remembering that human life has limits, I move the previous question.

Mr. HENRY, of New York: What effect does that have on this amendment?

The PRESIDENT: It is the rule of the House of Representatives that the motion of the previous question disposes of the amendments first, without debate.

The previous question was ordered.

The Secretary read Mr. PARKER's amendment.

The PRESIDENT: The vote will be upon adopting this resolution as a substitute for the resolution of the Boston Board of Trade and the amendment offered by Mr. PRICE, of Scranton.

The proposition was not agreed to.

The PRESIDENT: The question now recurs upon the proposition to amend, offered by Mr. PRICE.

On the call of Mr. ROPES the proposed amendment was read, and on the vote being taken it was lost.

The PRESIDENT: Mr. WETHERILL proposes to amend the resolution of the Boston gentleman by adding a resolution which will be read.

The resolution was read, as follows:

*Resolved*, That the Executive Council be requested to present to Congress a plan for the resumption of specie payments based upon a retirement of not exceeding three millions of legal tenders monthly, to be funded in a long time bond.

Mr. BUCHANAN, of Trenton, suggested that the resolution contained two distinct propositions. One is that the Executive Council present a plan to Congress, the other defining that plan, and called for a division of the resolution.

The vote being taken separately on the two branches of the proposition, both were lost.

The PRESIDENT: The question now recurs upon the propositions as presented by the Boston Board of Trade, and modified by consent of its representatives. To pass them, gentlemen, requires the concurrence of two-thirds of the body.

Mr. COVINGTON, of Cincinnati, called for a division of the question, and that the two resolutions be voted upon separately.

The first resolution, as modified, was read, and by a unanimous vote was adopted.

The PRESIDENT: The second resolution, as amended by the gentleman from Providence and accepted, is now before the Board.

It was read as follows:

*Resolved*, That the present stagnation of business and superabundance of idle capital, which are the necessary results of inflation and extravagance,

ending in collapse, furnish a most favorable opportunity for replacing the pecuniary transactions of the people on a sound basis; and we call earnestly upon the Congress of the United States to delay no longer the necessary steps for funding, or otherwise redeeming and cancelling, the surplus legal tender notes, until those which remain in circulation shall be at par with coin.

**Mr. WETHERILL**, of Philadelphia: Before that motion is put I should like to know whether I would have the right after the passage of this resolution to offer an additional resolution?

The PRESIDENT: No, sir.

**Mr. WETHERILL**: Then I would move to amend.

The PRESIDENT: You cannot amend now.

**Mr. HOFFMAN**, of Philadelphia: There has been evidently a mistake in regard to the resolution of Mr. WETHERILL. He proposed a simple thing and only to cover one point, and I would like to have the vote taken upon that again in such manner as the President will indicate.

The PRESIDENT: It can be done by a reconsideration of the vote by which the amendment was lost. The question will be on the original resolution if that is not done. The motion must be made by some gentleman who voted against it.

No such motion being made, a vote was taken on the pending resolution, resulting, yeas, 25; nays, 17; less than two thirds voting in the affirmative.

The PRESIDENT: The resolution is not agreed to.

On motion of **Mr. HENRY**, of New York, a recess of half an hour was agreed to, and had.

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After recess the President called the Board to order, and business was resumed.

**Mr. COVINGTON**, of Cincinnati: I have been requested by some gentlemen who voted in favor of the last proposition that was acted on before the recess, as I voted against its adoption, to make a motion for the reconsideration of the vote by which it was lost. These gentlemen claim that there was not a full

attendance in the hall at the time, and that if there had been the result might have been different. I desire that upon a question of so much importance as that, there should be a full and free and fair expression of this Board, and it will be from that view, and not from any change of sentiment, sir, that I make a motion to reconsider it. My own convictions are as firm, firmer I may say, since its rejection, that it should not be adopted by the Board. It certainly will be fatal to the people of the West—fatal to our progress and best interests; and while I make the motion to reconsider, I hope that the vote will be the same as before. I therefore move, sir, a reconsideration of the last vote.

Mr. ROPES, of Boston: I wish to inquire if the reconsideration of this will bring with it the reconsideration of the amendment of the gentleman from Philadelphia, which was also lost?

The PRESIDENT: No, sir.

Mr. ROPES: Then, whenever it is in order, sir, I wish to move a reconsideration of that vote.

Mr. JOY, of Newark: I would like to suggest that although a full discussion of these matters is desirable, still a great deal of time has been taken up by them; therefore, I suggest that all remarks be confined to two minutes.

The resolution to reconsider was adopted.

The PRESIDENT: The question comes back exactly in the shape in which it was acted on under the call for the previous question. It is merely a question of voting. The resolution will be read for the information of members.

The Secretary read the resolution. (See pages 120–121.)

Mr. HOFFMAN, of Philadelphia: Will it be in order that the resolution of Mr. WETHERILL my be appended as a separate resolution?

The PRESIDENT: It would not, unless the body would unanimously agree to it, or there be a withdrawal of the call for the previous question.

Mr. BUCHANAN, of Trenton: I am perfectly willing, if the Board wishes it, to withdraw the previous question.

Mr. CANDLER, of Boston: I should like to say a word in explanation. It seems to me that when the proposition of Mr. WETHERILL was brought before the Board it was not entirely understood. Mr. WETHERILL made his proposition intending it as a motion, but many of us considered it only as a suggestion. After two votes had been taken on the amendments, it was then considered by the chair that his suggestion was a motion in order. Therefore, as the previous question had been called, it prevented our debating one of the most important propositions that has come before this Board: first, that the Council should suggest to Congress a plan for the resumption of specie payments which has not been deliberated upon; and second, it presented a plan for resumption. Now, for one, I am not prepared to vote for any plan for the resumption of specie payments, unless it is thoroughly discussed. It seems to me that we should be very cautious how we act upon it without consideration.

Mr. ALDRICH, of Providence: As I understood, the gentleman who moved the previous question has withdrawn it, I would like to say one word.

A DELEGATE: I do not understand that the Board has consented that the previous question shall be withdrawn.

The PRESIDENT: The question before the Board is on the adoption of the resolution which has been reconsidered on the motion of Mr. COVINGTON. The question is now in precisely the shape it was in when that resolution was lost, and under the order for the previous question debate is not in order. If the members were under an erroneous impression regarding Mr. WETHERILL's proposition, by unanimous consent it might be brought before the Board again, and be offered as an additional resolution; and under the suggestion made by the gentleman from Newark, to limit the speeches to two or three minutes, it might be so far explained as to be perfectly understood by the members in a short space of time, and a vote be taken upon it. The question now immediately before the Board, however, is upon the adoption of the second resolution of the Boston Board of Trade.

Mr. COVINGTON: I ask that the Board give unanimous consent to Mr. WETHERILL to read his proposition for consideration.

No objection being made, the proposition was read.  
(See page 120.)

Mr. BUCHANAN, of Trenton: Allow me respectfully to say that it seems to me the Chair should have put the last part of the question first. Let us decide first whether we will define a plan and then we can say whether we will have the Executive Council submit it or not.

Mr. WETHERILL: I think the whole trouble is this—that the body did not understand what the mover of the resolution meant by preparing a plan. The resolution suggests merely the basis of a plan without going into details. Of course the details were to be left in the hands of the Executive Council, and when I said "prepare a plan," I meant that the principle suggested should be the basis of a memorial.

The PRESIDENT: Now, gentlemen, will you give unanimous consent for Mr. WETHERILL to introduce that proposition?

No objection was made.

The PRESIDENT: There being no objection, that resolution is now before the body.

After considerable discussion on points of order, the vote ordering the previous question was reconsidered, and then the call for the previous question being again put to vote was lost.

A motion by Mr. Joy, of Newark, to limit remarks to two minutes, was also lost.

Mr. VERNON, of St. Louis: I would suggest laying that resolution on the table. In the first place, because reference is made to the Executive Council, which, according to my interpretation of the administration of the affairs of this Board, does not give the constituent Boards in membership of this National Board of Trade, representation. I expressed yesterday in a few words the views which I believed were entertained by the majority of the Western people relative to this finance question. If we pass that resolution authorizing the Executive Council to frame a bill to put before Congress relative to financial questions, the country

is not represented. From the remarks that Mr. WETHERILL made this morning, I am convinced that the tendency would be to throw more power than ever before into the hands of the National Banks, which, as I have said, are an incubus rather than a blessing to the country.

The PRESIDENT: The gentleman from St. Louis moves to lay the resolution on the table, and that motion being seconded, the question will be taken without debate.

The motion to lay on the table was lost.

Mr. RUMSEY, of Chicago: I will occupy the attention of the Board but for a moment. I do not know what the gentleman from St. Louis intended when he spoke in regard to the opinion of the people of the West. Chicago, in the rapid advance of the important commerce of the West, may properly be called the central city of the country. The gentleman may not intend to include her in his remarks, but if he does I am certain he is very much mistaken as to what the opinion of the people of Chicago and of the Northwest really is on this question. I would say, gentlemen, that, in my opinion, they are largely in favor of the early resumption of specie payments and of getting back on a specie basis as soon as possible. (Applause.) I make this remark in order that Chicago, at least, may be set right and go right on the record.

Mr. CROWELL, of Kansas City: I rise to say, on behalf of the people further west than Chicago or St. Louis, that by a large majority they are in favor of a resumption of specie payment.

The PRESIDENT: The question is upon Mr. WETHERILL'S proposition as an amendment.

A vote was taken, and the Chair signified that he thought the proposition was lost.

A division was called for.

Mr. WETHERILL: I call for the yeas and nays.

Mr. NOURSE, of Boston: Is there time to move an amendment to the pending question?

The PRESIDENT: Not now.

**Mr. BUCHANAN:** Pardon me for occupying your attention so often, but I understand that this is submitted as a distinct resolution amendatory of the series. I would ask if it does not require a two-thirds vote to adopt it?

**The PRESIDENT:** The first vote would be upon agreeing to it as an amendment, and only requires a majority. If adopted as an amendment it would then require a two-thirds vote for its final adoption.

The roll of delegates was then called, with the following result:

**Yea:** Messrs.

Baer,	Gurney,	Randall,
Bensley,	Hayes,	Ranney,
Boynton,	Hersey,	Rumsey,
Cooley,	How,	Shurtleff,
Crowell,	J. Jones,	Stark,
Dorr,	Lane,	Stevens,
Fisher,	Lincoln,	Wetherill,
French,	Nourse,	Young.— 24.

**Nay:** Messrs.

Aldrich,	Grubb,	Opdyke,
Buchanan,	Henry,	Parker,
Buzby,	Hincken,	Price,
Candler,	Hoffman,	Ray,
Covington,	P. Jones,	Taft,
Edson,	Joy,	Vernon,
Eggleston,	Levi,	Welsh,
Frank,	McLaren,	Winsor.— 25.
Goodrich,		

**The PRESIDENT:** On agreeing to this proposition the ayes are 24 and the nays are 25, so it is not agreed to.

The question now recurs upon the second resolution from the Boston Board of Trade.

The Secretary read the second proposition of the Boston Board of Trade. (See pages 120-121.)

The yeas and nays were called for.

The PRESIDENT: I beg to remind the Board that under the rules that they have adopted for their government generally, I have no right to vote, unless my vote will change the decision of the house. It would not have changed the vote upon Mr. WETHERILL's resolution, so, of course, I did not cast it.

The roll was called and the vote was as follows:

**Yea:** Messrs.

Aldrich,	Hayes,	Ranney,
Bensley,	Hersey,	Ray,
Boynton,	Hincken,	Ropes,
Buchanan,	Hoffman,	Rumsey,
Candler,	How,	Shurtleff,
Cooley,	J. Jones,	Stevens,
Crowell,	Joy,	Taft,
Dorr,	Lane,	Welsh,
French,	Lincoln,	Wetherill,
Goodrich,	McLaren,	Winsor,
Gurney,	Nourse,	Young.—33.

**Nay:** Messrs.

Baer,	Fisher,	Opdyke,
Buzby,	Frank,	Parker,
Covington,	Grubb,	Randall,
Edson,	Henry,	Stark,
Eggleson,	Levi,	Vernon.—15.

Mr. STEVENS, of New York: I vote for that because it explains sound principles.

Mr. WETHERILL: I vote for it for reasons similar to those given by Mr. STEVENS.

Mr. GRUBB, of Philadelphia: I vote "no" because I am against funding the circulating blood of any system.

Mr. PRICE, of Scranton: For reasons already stated I do not vote.

The PRESIDENT: On agreeing to this resolution, gentlemen, the ayes are 33 and the nays are 15. The resolution is, therefore, adopted.

The resolutions on National Currency, as finally adopted, were as follows, to wit:

*Resolved*, That the National Board of Trade reaffirms emphatically its long-cherished and often-repeated conviction that the financial and industrial prosperity of our country is utterly incompatible with the employment of an irredeemable and depreciated paper currency, and that the chief remedy for existing commercial distress, depression and ruin is to be found in the restoration of a just and sound standard of value.

*Resolved*, That the present stagnation of business and super-abundance of idle capital, which are the necessary results of inflation and extravagance ending in collapse, furnish a most favorable opportunity for replacing the pecuniary transactions of the people on a sound basis; and we call earnestly upon the Congress of the United States to delay no longer the necessary steps for funding or otherwise redeeming and canceling the surplus legal tender notes until those which remain in circulation shall be at par with coin.

Mr. CANDLER, of Boston: *Mr. President*,—I would suggest a suspension of the rules that the two propositions eighteen and nineteen on the programme, relating to Canadian Reciprocity, may be taken up together now. My reasons for so doing are that we have gentlemen here from the Dominion of Canada who wish to be present when these resolutions are discussed and who are obliged, on account of engagements which they have elsewhere, to leave at an early date. It seems to me that it would be very satisfactory to us as well as to the gentlemen from Canada to have them present, and, perhaps, take part in the debate upon this question. It is an act of courtesy to them and will not delay or interfere with our proceedings. I make this suggestion after consultation with other members of the Board. I, therefore, move the suspension of the rules for that purpose.

The PRESIDENT: The Board has heard the proposition of the gentleman from Boston, that the regular order of business be dispensed with in order to consider the two propositions on the programme in relation to Canadian reciprocity.

The motion to suspend the regular order was agreed to.

Mr. CANDLER: I move that we now take up the eighteenth and nineteenth articles. You will observe that the Board of Trade of Boston proposes the question of the renewal of reciprocal trade between the United States and the Dominion of Canada, and the Board of Trade of Chicago present the question in an-

other form, but both relating to the same thing. Mr. President, there are some questions which have been brought before the National Board of Trade, upon which Congress has taken either decided or partial action, and this question of reciprocity is one of them, and I believe that the decision of this Board to-day upon this question will have real practical effect in promoting action perhaps at this session of the Congress of the United States. My opinion is based upon information which I obtained at Washington a fortnight ago as a delegate from the Boston Board of Trade to Washington to promote the passage of the bill which is suggested in the proposition of the Chicago Board of Trade. That bill is before Congress upon the report of a minority of the Committee on Commerce, Mr. Ward, of New York, and Mr. Pierce, of Massachusetts. Mr. Ward had made a speech upon the question on his minority report. After his speech it was ordered to be printed the question laid over. A few days ago I had a letter from Mr. Ward in which he informed me that he thought it possible they would take action on it at the present session. It should be an interesting question with us all, because we may see the fruits of the work we do without delay. The section which I represent, New England, is greatly interested in the question of reciprocity. We are dependent largely for our success in being able to manufacture all articles as cheaply as we can. We have a sterile soil and we have a cold climate. It seems to us that the prime necessities of life, fuel and food, should be given to the laboring men with us as cheaply as possible. Again, the citizens of New England are deeply interested because our neighbors in the Provinces are our legitimate customers. Between us and them there are no barriers excepting those of an artificial nature. We come forward frankly and without hesitation, and state some the reasons why we favor reciprocity. And, again, we are impressed in Massachusetts, as you are in all sections of the country, with the fact that disaster and depreciation is besetting every branch of industry. It is not confined to the great cities with us, but in the small manufacturing towns we find people seeking for work, and all of them crying out "It is our own trade relations that are wrong and unsound; what have you, the commercial men of the country, to suggest to lift us out of this slough of despond?" We, of New England, in discharging our duty, consider that one of the reforms that can be made is to change our relations with our neighbors. We say, if there are men in Canada

or in other countries, who would be our customers for the goods of the United States, if we have anything that we can sell them let us seek to inform ourselves whether there is not some arrangement which we can enter into that will be mutually beneficial to us and to them. Let us not build up Chinese walls between us, but let us give a fair consideration to the subject and bring about an appropriate result. Now, gentlemen, it is better always for us to come here and frankly show to the Board what we want and why we want it. Some of us from New England sometimes excite surprise because we go in for greater freedom of trade. Many seem to think we are all high tariff men there. But that is not so. There are many of us inclined to free trade; we believe it to be for the interest of the country; we believe the United States of America, just entering in its second centennial, strong in its government and people, has got to consult in the future simplicity and freedom; we believe we have have got to reach out to broader, and wider, and better commercial associations with the rest of the world; we believe that the genius of our people lead us in that way as it has led us to a free government; but still, while frankly declaring the principles which we hold, that we believe in the fundamental principles of free trade and are inclined to them, we recognize that upon this floor there are gentlemen who are as strongly in favor of high protective tariffs. We say to them, we propose no plan for the National Board of Trade to endorse in this matter; we simply ask that the government of the United States shall appoint a commission of three intelligent men to meet a commission from the other side of the line to discuss whether it is possible for us to arrange a treaty of reciprocity that shall be for the benefit of both; and I think no gentleman can object to a little more light on the question. We do not press the adoption of any particular plan; we simply say "Let us come together, review the whole question intelligently and thoughtfully, and then present some kind of a treaty, if it is possible, which may be for the advantage and interest of both parties." It seems to us that this Board cannot hesitate to pass this resolution. To illustrate how ignorant some of our officials are in regard to our commercial relations, and among such are some of the most intelligent men in the country (I have no doubt that there is some ignorance in reference to Canada as well as other sections), I was, a few days since, in Washington, and in an argument that I tried to present to members of Congress,

privately upon the floor of the House, in favor of reviewing our trade relations, which, to me, seem so unsound, I said to a gentleman on the Committee of Ways and Means, "are you aware, sir, that while we have an enormous trade with France, that we are prohibited from exporting our manufactured cotton goods there? That it is not a question of paying so much duty, but that we are absolutely prohibited from exporting our cotton goods to France?" Great Britain exports to France fifteen million dollars worth of cotton goods; we can supply the French market cheaper than the English can, but the French government has two classes or kinds of treaties, one of which prevents the raw material, and the other prevents manufactured goods from being imported into that country. The United States comes under the treaty excluding manufactured goods. In the Boston Board of Trade I read a letter from a distinguished gentleman to Lord Derby, in which he stated that American goods could be sold in France at less price than English cotton goods, but that they were prohibited entrance, and it is a fact that one of the Boston shippers was arranging a shipment of cotton goods to France, but he found he was prohibited and consequently gave up the idea. I said that to this member of the Committee of Ways and Means. He seemed to doubt it. I said to him "I state it as a fact," but still he seemed hardly satisfied that it could be so. The next day I took him the papers to prove my position. While we were discussing it, a new member from the South, a very intelligent man, came up, and he told him that we had laws that prohibited the interchange of our manufactured goods, and spoke of this law, and he said to him "Did you know it before? I have been on the Committee of Ways and Means for two years and I did not know it." And the gentleman said "Oh, yes, I know it;" and he said "How long have you known it?" and this gentlemen said "about a minute and a half, since you told me, I have known it." I only quote this to show that our trade relations are imperfectly understood.

Our relations with the South American States could be changed with as much advantage to us as our relations with France, and although the principles we advocate for greater freedom in trade may not meet the endorsement of all the members of this Board, yet we think you cannot refuse in joining to ask Congress to appoint a commission to make a report on this Canadian question. When they do so, if it can be proved to the satis-

faction of the government of the United States that the treaty proposed is not for the advantage of the country, we shall have the information and the proposition can be voted down. I shall not now, Mr. President, enter into any detailed elaboration as to the interest we in New England have in this particular question. It certainly does seem, however, that with six thousand miles of territory or of coast, which has to be guarded by custom houses on both sides, and that as every merchant knows, bartering promotes business, that there are sufficient reasons why we should have this treaty. And I would call the attention of the Board to another fact, because I would regard the passage of the bill of Mr. WARD as an entering wedge for something further in this direction; we should not only go to Canada for customers, but we should go to Mexico and all the Southern provinces, and I regard this commission as a stepping-stone to a commission that shall make our relations with Mexico also of some consequence. Mexico to-day has a very small trade considering the number of her inhabitants, but at the same time that small trade is worthy of our consideration. The trade of Mexico is about fifty millions of dollars a year, as near as we can calculate it, and the United States has only about six millions of it. There is something wrong about that. We ought to be certainly able to supply the customers immediately on our borders. And I think, sir, that this question involves something more than trade. I contend that we should look to trading with our neighbors in order that we may promote more friendly relations with them. We have troubles on our border with Mexico. We have repeatedly seen how easy it would be to drift into difficulties with Mexico. Is there any way in which we can avoid difficulties and differences of opinion more readily than by establishing common interests? I believe it is almost a question of humanity, sir, with us to promote trade relations with them that we should have a common interest through trade. And, I believe that there is nothing which would so tend to elevate the races in the Mexican Republic as close and intimate business relations between them and the inhabitants of the United States. It would tend to lift them out of the semi-barbarous state in which they are to-day. I could, if time permitted, enter into many details in regard to the benefit of a trade with Canada. For instance, in regard to wools, if I should speak of articles. It is found that the coarser wools of the United States and the Canada wools can be exchanged with

advantage; they can produce many wools in Canada that will be advantageous for us to unite, in the process of manufacturing goods, with the wools which we have in this country, and in the case of foreign wools, I believe that it would be for the advantage of the United States to change the duties somewhat on those articles. I believe that is a question that will come up in the future consideration of the subject, especially if we can use to advantage in the manufacture of woolen goods fifty per cent of coarse wools which are not grown in this country. I do not think, Mr. President, that it is necessary for me to do more than go over the general principles, as it would merely take up the time of the Board. I think that I have covered the ground sufficiently to indicate the general principles upon which we desire this bill to pass. We desire no immediate action, but simply wish for a commission, and at the same time we are extending the right hand of fellowship to the gentlemen who are here from Canada, and to the constituencies which they represent. If we can bring about an arrangement which will be for our mutual advantage, it seems to me that the National Board of Trade should endeavor to do so with all the influence it can bring to bear upon it.

Mr. WINSOR, of Philadelphia: This resolution is so direct, simple and appropriate that I think there would be no difference of opinion in regard to passing it on its merits, and as an independent proposition. I do not know why we should complicate it with the whole question of free trade and protection, or with something we may do hereafter. The thing is so appropriate, direct and simple that I should think there would be no difficulty on the passing of this resolution. I do not mean myself to connect it with anything that does not appear on the face of it. On that ground, taking the resolution as it stands there, although I might differ very much with the gentleman from Boston in regard to the kind of a treaty we should have under that resolution, as an act of courtesy to our neighbors I shall heartily vote for this resolution, and I believe other gentlemen will vote for it if it is left to stand on its own merits as it is here. I cannot conceive why there need be any long debate on this question, and I hope that there will not be any.

Mr. DORR, of Buffalo: *Mr. President*,—I heartily agree with the spirit of this resolution. I had the honor to suggest a sim-

ilar proposition at the meeting of the Dominion Board of Trade. I proposed that a committee of merchants be selected to confer together upon what was needed to secure uniform reciprocal relations between the two countries. Of course such a conference to be upon the principle upon which our National Board of Trade is constituted—only recommendatory. A body of merchants know much better what is needed for their reciprocal interests than the greatest statesman that would undertake to form that treaty. It should emanate from the merchants, as it is necessitated by the wants of the people. I say again, sir, that I heartily agree with the proposition as made.

**Mr. HOW, of Chicago:** I would like to make one word of explanation for the benefit of my friend from Buffalo. When this proposition was introduced by the Chicago Board of Trade, last year, it contemplated the appointment of a commission, consisting of five merchants. When the Council met in Washington, last winter, in looking over the various bills that had been introduced, they found this joint resolution introduced by Mr. Ward, of New York, and on examining it they found that it simply contemplated the appointment of a commission of three from the United States and three from Canada, and in talking to Mr. Ward we suggested that it should be three merchants, and he said: "No, that cannot be passed by Congress. Congress cannot pass any resolution that will indicate what kind or class of men shall be appointed;" and he said further, "If this resolution is adopted you should bring your influence to bear on the President to try and influence him to appoint some merchants on this commission in whom you have confidence," and we thought that that would be acceptable, and for that reason we introduced the resolution in the same language as it was introduced by Mr. Ward; and we hoped that if the Board should adopt that resolution, the influence of the Board, with his assistance, would be sufficient to pass it.

**Mr. GRUBB, of Philadelphia:** As an out and out protectionist, I will give my hearty support to this resolution.

**Mr. McLAREN, of Milwaukee:** I suppose that we are about ready to take the vote on this question, and I assume that the far larger portion of this body is quite in favor of it, but I would like that before we take a vote we should hear from some of our

Canadian friends. I would suggest that the Chair invite them to express their views.

The PRESIDENT: The gentlemen have been admitted to the floor with the privilege of debating. I would be very glad to hear from any of them, and I am sure the Board would.

Mr. ROBERTSON, of Montreal: *Mr. President and Gentlemen,—* The question of reciprocity is one that is often before us, and one in which we are known to feel so deep an interest that it is hardly necessary for me to say one word in regard to it. I may say that, years ago, when the reciprocity treaty of 1853, I think it was, was abolished, we all felt that we had lost good customers, good friends and good neighbors, for the moment at least. Since that time we have met you time and again, and we have given you our views in regard to the fact that there is nothing we desire so much as the freest commercial intercourse with our American brothers. But we have waited so long for it that I believe, to some extent, our people have now come to think that they are not in so much of a hurry for it, though I, myself, feel that I would like to have the freest intercourse not only with America, but with the whole world. I am one of those who believe in the freest intercourse of all nations. I believe that God made the world for us all, and that the more we meet and know each other the better for the whole world. I was delighted to hear some of the remarks this morning of the gentleman from Boston. I was also very much pleased to hear the discussion in regard to the question on light-house dues in England, and I think it my duty while here to say to you that while I quite agree with you, and that while we, as Canadians, have asked the same thing from England as you are doing, you must not forget that she gives you great advantages, far more valuable than these dues which she charges. She gives you the freest navigation from port to port in any part of the world, so that you can go from Calcutta to Canada, and from Canada to England, and from England anywhere in the world, while the American people will not give us the liberty to go even from New York to San Francisco. I am speaking as I do now in order to show that we in Canada do not want reciprocity unless it is to be a free and true reciprocity. I think the proposition laid down in the resolution before you is a platform which we, as Canadians, would be ready to accept. I do not wish to take up more of your time this morning, because

there are gentlemen present who are much more familiar with the subject than I am, and if you will allow me I will give way to them, simply remarking that I hope this reciprocity will be advantageous to each of us; but before I sit down, Mr. Chairman, I wish to say that nothing would give us more pleasure than to see a large attendance of your body at the next meeting of our Dominion Board of Trade, and to express the hope that through such meetings we will come nearer together.

Mr. WHITE, of Montreal: *Mr. President and Gentlemen,—* I can assure you that it gives me great pleasure—a very great pleasure—to be at the meeting of the National Board of Trade now for the fourth time. I see that this is the eighth meeting of this body, and I have been present at four of those meetings, and at all of them the question of reciprocity has been discussed. I may say that in Canada there is a very strong feeling prevailing that, in the event of reciprocity not being obtained, we shall do something else. Since the reciprocity treaty was abrogated I think the people of Canada have shown the most arduous and warm disposition to continue friendly trade relations with our American neighbors. Although the treaty was abrogated, we continue to act under the same principles that were embodied in the reciprocity treaty of 1854, except those in relation to the fisheries. The free import of all your natural productions was continued just as was provided for in that treaty, and with the exception of the ten per cent. treaty on cattle, which has been imposed in the last two years, I believe that down to this time the policy of the Canadian Government has been to treat the American Government with that same freedom which was enjoyed by them and us under the old reciprocity treaty. We have been going on during those years in the expenditure of large sums of money in the improvement of our inland waters, chiefly with the idea of attracting your trade and giving to the great West of this country an outlet for its cereals, and also from a selfish motive of increasing our business by handling those products; and at this moment the Canadian Government have under contract, or immediately to be let, improvements of Canadian waters at an expense of some twenty millions of dollars. All this has been done entirely with reference to international trade between your country and ours, for so far as the people of Canada are concerned the canals as they now exist are, undoubtedly,

amply sufficient for all our own trade. We have therefore shown, by the policy adopted and continued in Canada, the most earnest desire to have reciprocity with the United States—to have the greatest possible freedom of trade between the two countries. The Government of Canada, on two or three occasions, have made efforts to obtain a renewal of the reciprocity treaty. Mr. Gault—now Sir Alexander Gault—came to Washington in 1866 with a view, if possible, of renewing the treaty. Subsequently other efforts in the same direction have been made. At the time the Washington treaty was adopted a proposal was made from Canada that a reciprocal interchange of the natural productions of the two countries should be included as one of the points of that treaty. And since that time the Canadian Government sent Mr. George Brown, a very distinguished Canadian politician, to the United States with a view of renewing the reciprocity treaty. In every case, as it appears to us, we have been met in a different spirit from that in which we came. The last effort, it is true, resulted in the promulgation of the draft of a treaty of reciprocity, which, I think, was published only on one side, but not on the other. There are some difficulties in the way of the adoption of a general and broad reciprocity in respect to our relations with the mother country; but in so far as the natural products of the two countries are concerned, as provided for under the treaty of 1854, there would be no difficulty. Even the late proposed treaty, if qualified and modified in some minor respects, would be acceptable both to us and the mother country, and I believe it would be for the benefit of both countries. The failure, however, of the late drafted treaty of reciprocity, the fact that it was treated scarcely with courtesy by Congress, although it was submitted by the President of the United States for discussion, yet was not discussed, has created a very strong feeling among Canadians, as your delegates to the Dominion Board of Trade could see, and as they have, in fact, reported in the very admirable report which they presented to your Board in regard to it. And, now, if we cannot have reciprocity we must have free trade of another kind. I do not know whether that would be an advantage to us and you or not. I merely say that the feeling is growing,—the efforts to get a fair treaty not having been met by the Government and Congress of this country in the same spirit in which they were made,—favor-

able to the adoption of a policy somewhat different from that which has been pursued in the past.

I dare say you are all aware here of this fact, that, although we are a colony of Great Britain and form part of the British Empire, that at the same time our trade policy toward the United States is precisely the same as our trade policy toward Great Britain. Whatever duties we charge on goods coming from the United States, we charge on the same goods coming from Great Britain; and I dare say my friend, Mr. WRIGHT, here, would concur in the statement which I make, that there is a very strong feeling among Englishmen that that is hardly treating the mother country rightly. Now, there has recently grown up a very strong feeling in regard to that, and it is headed by a gentleman who is in the abstract a very strong free-trader, and who came here in 1866 in order to get the American government to renew the reciprocity treaty, and who as a Canadian statesman has always been in favor of the freest trade relations. I allude to Sir Alexander Gault, who, in a letter which he wrote last year, and in speeches which he has made, has taken the ground that if we do not get reciprocity from the United States, and if the same policy is to be pursued in the future as has been pursued in the last ten years, that it will become our duty to adopt differential duties against the United States, and to form more intimate trade relations with the mother country, and to pay the American people the compliment of adopting the same policy as the American people have adopted towards us. Now, I should be very sorry if anything should occur to force the Canadian people to adopt a policy of that kind, although I think it is the true policy for Canada to pursue in case reciprocity is not adopted. I do sincerely hope that by the discussion of the subject among commercial men of the two countries, and finally getting the politicians to see it in the same light that we see it, that we shall be able to secure the adoption of a fair and reasonable trade reciprocity between the two countries. There is one subject that is referred to in the report of the Dominion Board that illustrates the difference of the treatment of the governments on the two sides of the line. For instance, we abolished, some years ago—just about the time your Congress abolished it—all the duties on tea and coffee. Our government at that time adopted the plan which your government has adopted in its law which imposes ten per cent. additional duty on all importations of tea and

coffee from countries west of the Cape of Good Hope, which practically includes only England and Canada. We adopted that also, and found it greatly to the advantage of the tea trade. Recently, however, we imposed duties on teas and coffee, and have abolished the ten per cent. differential duty. Now the people of Canada say that the effect of that has been, that while you admit tea free from every other part of the world except from Canada and Great Britain, that you charge any Canadian merchant who may have a special line of tea that he would like to send over to this side, ten per cent. for the admission of that article, while the New York merchant can send it to Canada on the same terms as the Canadian merchant who imports from China. I am bound to say that that one illustration has done more to promote a strong feeling in Canada in favor of differential duties as against the United States than any other single subject. I sincerely hope, however, gentlemen, there will be no necessity for the adoption of differential duties on either side. I believe that the policy which is foreshadowed in your own resolution is one which will receive the most hearty approbation among the people of Canada. The Dominion Board of Trade, at every one of its meetings, has repeated its earnest desire for the adoption of the reciprocity treaty. It has coupled, in every case, that desire with the opinion that the first proposition in relation to it should come from the United States. They have done that, not because of any disposition to force the United States to make the proposition to them, but from the fact that several proposals have been made on our side, and we think that it is right; and we also think that perhaps it is our repeated applications for reciprocity which have tended to create an impression in this country that reciprocity is all for our advantage, and not for the advantage of the people of the United States. But we think that if the pending resolution is adopted, as appears likely to be the case, by this Board, and if the Congress of the United States should adopt that suggestion as the suggestion of practical business men coming from all parts of this Union, and instruct the President to appoint commissioners, as proposed in the resolution, I believe the Canadian government would likewise appoint a commission, and we should, for the first time since the abrogation of the old treaty, have business men to sit down together, talk the matter over fairly and squarely as a practical question, deal with all its difficulties, and, if possible,

bring about a treaty which will be mutually advantageous to both countries. I will say that our object in coming here and to the other meetings of this Board has not been to urge resolutions of this kind to the National Board of Trade. We have come here with the idea that the best interests of commercial men of both countries will be served by a constant intercourse of their merchants and an interchange of their ideas. We believe that our coming to your Board of Trade, and your coming to ours, has created on both sides a very general feeling in favor of better trade relations between the two countries. We come here for the purpose of continuing that interchange of sentiments, and if, as the result of our being here, you should pass the resolution, not as a mere act of courtesy to us — because I am bound to say that much as we value your courtesy, gentlemen, we should regret to have so important a measure passed by this Board simply as an act of courtesy to us — I say, if you should pass such a resolution as this because of its real importance to the trade of the two countries, and follow it up by pressing on Congress the adoption of the resolution in substance, and if, as a result of that, we should get the business men from both sides together to discuss this question, and it should eventually terminate in the settlement of it, we shall look back to our meetings together with great satisfaction and congratulation, in view of the end which will have come from our conferences, and I sincerely trust we may at an early day be permitted a free interchange of the natural products of both countries. [Applause.]

Mr. HENRY, of New York: If any other gentleman from the Dominion of Canada will favor us, I will gladly yield the floor. I see my friend Mr. GRANT, who was very eloquent at the meeting of the Dominion Board of Trade, as I happen to know, and I should be most happy to hear from him or from any other gentleman.

No response being made to this suggestion, Mr. HENRY continued:

*Mr. President and Gentlemen,*—I will say just a word on this question. While attending their meeting at the Dominion Board last winter, I saw that there was some feeling in that body against the action of our government in respect to this question. Some seemed to think that we had slighted somewhat the propositions

that have been made in regard to it, although on the whole there was a good feeling manifested towards the United States. I want to explain to our Canadian friends that this reciprocity matter of course has two sides. I would first state that I am in favor of these commissioners being appointed. But we should have true reciprocities, Mr. President, and that is the reason why our people found fault with the last reciprocity act. Our farmers near the line seemed to think their friends in Canada had the advantage from the fact that they could bring here their corn, their wheat, their pork, their lumber, in fact everything that they cared to sell in our market, free, while we could take to them of course the same articles, but we could not take any manufactured article. I presume that some of our friends in Massachusetts have heard of dissatisfaction on that point. Now, if we can get a commission appointed—a fair commission on both sides—one that will suggest a fair trade, a trade that will please the Dominion as well as the United States, it will accomplish a great deal of good. If either party gets any advantage, in a short time the treaty will be abrogated. We merchants know that when we sell goods too high, or make too sharp a bargain, it is short-sightedness; we loose our customer and his friendly feeling, and it is so in this reciprocity matter. I hope that the government of the United States will appoint these commissioners and make the first advance. I did regret, sir, while in the Dominion Board, last winter, to hear them talk about passing differential duties, charging more duty on goods coming from the United States into the Dominion of Canada than from other countries. I do not believe they will do it, even if we do not have this reciprocity, because their good judgment will tell them better. If we have got any such unfair laws in Washington I hope they will be repealed, modified, changed. I want to say, in this connection, Mr. President, that I met most of the gentlemen, who are here to-day from Canada, at the meeting of the Dominion Board, last winter, at Ottawa, and there then seemed to be, only the kindest feeling between the two countries. The Dominion of Canada is almost as independent of the mother country as we are. As you know, Mr. President, the only connection they have with Great Britain is to pay the salary of the Governor-General, which is a small item; they collect their own revenue and use it, and as I remarked, the feeling of their people towards us seems to be of the most friendly and kindly character. I hope that this commission will be appointed, and I hope

the other gentlemen from Canada will have free speech here and that we may hear from them.

*Mr. WRIGHT, of Birmingham, England: Mr. President and Gentlemen,—*If I may claim your indulgence for a few moments I would like to make a remark or two upon this question and perhaps a question that is nearly related to it; and I may ask your indulgence further on the ground that it is the only question which is likely to come up in the meeting of this Board, to be discussed, in which we can be considered to have a direct interest, although at the same time it is exceedingly pleasant and undoubtedly advantageous to be listening to the way in which you conduct your business in an assembly like this, and to understand what is your usual mode of carrying on business in the United States, and what are the questions that are affecting you in your own trade relations, or as those relations in any way affect our own government. I may say in reply to the Canadian gentleman who has just spoken, that we, in England, do certainly think it is strange that those who are so nearly related to us as the Canadians are, should not adopt the same principles which we have in England, that they should not be reciprocal. We think it strange that with all the advantages and experiences of their mother country, that they have not gained more wisdom from our experience. Now, sir, if I might be permitted, I would like to read a few words spoken a short time ago by an English gentleman, who is certainly as much esteemed as any English gentleman in this country, and I do so because I believe that this Board of Trade has considerable respect for this gentleman, as I notice that on one of the pages of the report of last year there is a quotation from a speech of his. I refer to the Right Honorable John Bright. [Applause.] I am glad to say that I have the honor of being one of his constituents, he representing Birmingham in the British Parliament. In a conference at Birmingham a few months ago he spoke as follows, and although you may not agree with it fully, yet you will, I think, concede it is the opinion of a great man. Mr. Bright said: "We all know it is perfectly true that free trade is in the channel of civilization, peace, benevolence, christianity, of all that is good. Monopoly, on the contrary, represents almost everything most unjust and evil. But nearly all the people admit this. I am speaking of all the people in this country, yet though they do admit it, it is

wonderful what a power protection has with any man who happens to be getting any advantage out of it. The difficulties that free trade has to contend with in its course and welfare seem to come from what I should call the selfishness of individuals who profit and the ignorance of the multitudes who are plundered. Yet it is that which makes protection safe to the one, possible to the other. In our own colonies for example. Englishmen when they go abroad to Australia or Canada clear off a good many of the absurd superstitions they have when at home. Still we all know that the English and the Scotch in Canada, the English in Australia, get rid of a good many things which are held here to be wise. All questions with regard to the land they have generally reformed, with regard to education they have been very much before us, with regard to questions connected with church government, and matters of that kind, they are a good deal in advance of those left behind. But this question of protection somehow or other does not share the fate of those other questions. When they go to Canada some of them think protection is good, and even in Australia some of them are anxious to have high duties with the object of creating and sustaining various manufactures amongst them. I think the colony of New South Wales has adopted pretty much the principle of free trade under the direction of a minister, a gentleman I have met in this town, Mr. Minor Parkes. But if free trade be adopted in one of these colonies I do not see how it is possible that it should be long refused by the neighboring Australian settlements. The United States of America is another case in point. In the United States they have a tariff which is intended much more to exclude apparently all the manufactures of this country than merely for the purpose of raising revenue. Their tariff on the manufactures of this country amounts to from fifty to one hundred per cent, and these seem to be only imposed by a government and a people anxious only to extinguish all foreign commerce, and it only showed how great was the necessity, the absolute necessity, that the two people should come together for their mutual benefit and trade, for their mutual comfort and enrichment. There is still an enormous trade maintained in spite of the one hundred per cent tariff. I have been rather amused at our friends in the United States. I am not very much accustomed to criticizing them adversely, but they are now getting up an exhibition of arts and manufactures, and I know not what, in the great city of Philadelphia. It is to

be in commemoration of the signing of the Declaration of Independence. Well, we can look back upon that without regret except that such a thing was ever necessary. But we can look back upon the greatness of the country without any envy or anger or any of those ill feelings which existed at the time, or immediately after the time, that the Declaration was signed. But now it is to me a matter positively ludicrous that a country like the United States, or a State like Pennsylvania, should get up perhaps a most prodigious show of art and manufacture, probably consisting of contributions from all parts of the world, especially from this country, and ask manufacturers everywhere to "bring your goods here and let us see them." You may compete in the grand show, but their tariff will not allow you to compete with them in their markets. I am very anxious, indeed, I should be very glad to know, that the great exhibition was prosperous and successful, but I cannot conceive of anything more likely to make it otherwise, so far as foreign contributions go, than the feeling and the knowledge that although you may show how beautiful are your fabrics, how useful and cheap, the very fact that they are too cheap is that which shuts them out of the market."

Now, sir, though those opinions expressed there may be contrary to those which are held by most of the gentlemen here, I think you will excuse me on account of their being from a great man; and if there should be no other result from my coming here, if I might be permitted to offer a suggestion that might be in some slight degree a good result of my coming here, it is that I should ask this Board of Trade that they should adopt or see the way to adopt the glorious principles of free trade in extenso. All I desire to ask of the Board is that they will look at the question more widely in the future. The gentlemen may think, sir, that I, coming from England, am personally interested in this question. Well, sir, if we thought it a personal matter, if we thought protection were the true policy, we would like to have it in England. I know in my own business, if I looked at it in a narrow view, and in the view taken by this country, I should say, let us have protection. The trade which I happen to be in is the manufacture of buttons, a small trade it is true, and in France they manufacture largely a class or a particular description of buttons, and they can manufacture them there so cheaply that in this particular article they put us out of the market altogether. But I do not think that any gentlemen in the trade are about

to go to the government for their own selfish interest and ask for a tariff to be put on that particular thing. Although it would in this case be to my benefit, yet it would not be for the benefit of the nation at large to have protection. It took England a long time to learn the lesson, and doubtless it will take the United States a long time to learn the same lesson, but I believe ultimately, as sure as the sun rises and sets on his great course, that ultimately this country will come to adopt the glorious principles of free trade, and I believe that its commerce will be more successful and prosperous with a modified tariff than it is now.

The PRESIDENT: The Secretary will read the propositions on the pending question as they are presented on the programme.

The Secretary read as follows:

Proposition XVIII, Canadian Reciprocity, submitted by the Board of Trade, Boston:

"The question of the renewal of reciprocal trade between the United States and the Dominion of Canada."

Proposition XIX, Canadian Reciprocity, submitted by the Board of Trade, Chicago:

"*Resolved*, That the National Board of Trade most heartily approves and urges upon Congress the early adoption of the following joint resolution, which was introduced into the House of Representatives on December 15, 1875, to wit:

"*Resolved, by the Senate and House of Representatives of the United States, in Congress assembled*, That the President of the United States be, and is hereby, authorized to appoint three Commissioners, by and with the advice and consent of the Senate, to confer with other Commissioners duly authorized by the government of Great Britain, or whenever it shall appear to be the wish of that government to appoint such Commissioners, to investigate and ascertain on what basis a treaty of reciprocal trade, for the mutual benefit of the people of the United States and the Dominion of Canada, can be negotiated.'

Mr. BUCHANAN, of Trenton: *Mr. President*, — I do not rise to make a speech, we have been detained long enough perhaps upon this subject, but simply to say that in voting on these resolutions I do not wish to be considered for one moment as indorsing the free trade principles which have been ventilated here this afternoon. I am extremely sorry, sir, that this subject has been complicated by the introduction of anything of that character. This resolution simply provides for three Commissioners to con-

fer with other Commissioners duly authorized by the government of Great Britain, to investigate and ascertain on what basis a treaty of reciprocal trade for mutual benefit can be negotiated. For that sole purpose I am willing to vote for it, but if I understood that there was back of this any idea of extending that resolution further, to the support of free trade doctrines, out and out protectionist as I am from the sole of my foot to the crown of my head, I could not vote for it for one moment.

Mr. WETHERILL, of Philadelphia: I heartily endorse every word that has been said by my friend from Trenton, on that point, and I extremely regret that the question of free trade has been brought up in this indirect way. I think it is well enough for us to understand and to remind our friend from England that when England was one hundred years old she was just as strong in her ideas of protection and very much stronger than we are to-day. I recollect distinctly in looking over her history that not only in her tariff laws but in her navigation laws, protection of the strongest character was enforced, and protection of the strongest character was maintained until the manufacturing interests of England grew to such an extent that she could compete with the world; and, if I am correctly informed, not until then did she become the strong advocate of free trade that she is to-day. There is another view of that subject, and that is this: the necessities of our government prevent anything like free trade. I need not refer to the cause of our immense indebtedness. The gentlemen from England and Canada understand them very well. What interest they take in that matter it is not for me to say. We know that the condition of things which the war left us in renders it necessary for our revenue purposes that we make our duties what they are to-day. And, inasmuch as our revenue amounts to protection, and inasmuch as our people believe that the only way to procure the coin necessary to meet our actual need of it, is through the custom house, it seems to me that settles the question.

I doubt very much the propriety of a business convention such as this is, discussing abstract free trade. I do not believe that free trade exists to-day in England. If I understand the subject, they derive their revenue through the custom-house, and the only difference between the policy of this country and theirs is, that they collect their revenue on a few articles, and we col-

lect ours on a great many. In that I am satisfied that there can be great reform. In that I am satisfied that, with careful and prudent management, great good can be accomplished by lessening the complications of our duties, and in that way lessening fraud in our revenue; and I see no objection, whatever, in the resolution offered, and which will be discussed hereafter, from the delegation from Boston in regard to the revision of the tariff laws. I know what the complications are, and I think perhaps we are indebted to New England for some of them. I could not remain quiet in my seat without entering a slight protest to some ideas that have been advanced when I know that, from the condition of things which exist in our national affairs, we are forced to do just exactly as we are doing, and no matter how fond we may be of free-trade theory, and no matter how desirous many of us may be to arrive at that millenium which no nation on the globe has yet, I believe, attained to, yet we know it is impossible, from the very condition of things, to at present adopt those doctrines, even if we all desired to do so. We must accept the situation. We must do the best we can with the debt which has been placed upon us. And I think, sir, we have received some compensation for that load in having a free, united and happy people; and when I look at the burden which we are forced to bear I am satisfied patiently to abide under it, knowing that the result which we secured by that large debt was so good and so glorious. [Applause.] I shall vote heartily for the resolutions as presented by the Boston and Chicago Boards of Trade for reciprocity with Canada. I want to meet them in a frank and fair spirit. This whole thing, sir, should be settled by business men. Men not understanding this matter have already attempted it. It is surrounded by many and great difficulties. Our Government sent, three years ago, a man whom they supposed thoroughly skilled and versed in this matter, and he made a very careful examination of the subject and reported adversely to it, on account of the difficulties by which it was surrounded; and if I recollect those difficulties, sir, rightly, the main one was the difficulty in the relations of Canada to the mother country, and if that could be removed I think it would be easy to settle it. Now, as it is merely a matter of business, sir, I think that bright, shrewd men from one side of the border should meet with similar men from the other side; and as it is a matter of skill as to who shall make the best bargain and secure the best result, I am satisfied that we

will send shrewd, bright men, so that whatever good there is will be secured to our own Government, and I am satisfied that they will do the same thing; and in that way a fair, manly, honest compromise will be secured, and good results follow. [Applause.]

The President then put the question, and the resolutions were unanimously adopted.

The PRESIDENT: The next proposition in order is the fifth proposition, in regard to the establishment of Scientific Schools.

Mr. HENRY, of New York: The gentleman that suggested this matter in regard to Scientific Schools is not now present. He thought from the debate on the former question that, on account of time, this resolution would not probably come up until to-morrow.

The PRESIDENT: If Mr. HENRY desires this proposition to be postponed until to-morrow, it can be done.

Mr. HENRY: For the reasons stated I make that motion.

And it was agreed to.

The PRESIDENT: The next proposition in order is number six, in regard to the Postal Service. The Secretary will read it.

The Secretary read the proposition, as follows:

VI, Postal Service, submitted by the Board of Trade, Chicago:

WHEREAS, The prompt delivery of the mails in all parts of the country has come to be of vital importance to the commercial interests, especially, and to all the business and social relations of the people; and

WHEREAS, The recent improvement in the conduct of the mail service, by the inauguration of fast mail lines on routes between prominent points of receipt and delivery of mail matter, has produced most satisfactory results, and its abandonment would be a great calamity to all the business interests of the country; therefore,

*Resolved*, That the National Board of Trade, speaking in behalf of the whole country, respectfully urges that Congress will provide by law the means of continuing the special fast mail service on all lines where the same is now in operation, and that it be extended where the necessities of the service demand it, and it can be adopted at a reasonable cost.

Mr. RUMSEY, of Chicago: *Mr. President*,—The circumstances are somewhat changed since that resolution was written, and the danger of losing our fast mail trains is not so imminent as it was. At that time unfavorable legislation was proposed and was pend-

ing in Congress, and if it had been consummated by the Senate our fast mail would have been done away with. I suppose, however, that the resolution will not meet with any objection, and therefore it is not necessary that any extended remarks should be made. I have some statistics which I could present, and if any objection is made to the passage of the resolution I will ask permission to make some further remarks in regard to it. I will now merely add that the entire cost of the fast mail train over the principal route between the East and West increased the expense only sixteen thousand dollars in six months, and in the same six months they had distributed some fifty or sixty millions of letters, besides doing the work of the Government in carrying letters, envelopes, etc. I move the adoption of the resolution.

Mr. ROPES, of Boston: I merely wish to ask a question of the gentleman from Chicago. I entirely sympathize with the object of this resolution. I would inquire whether there is not now sufficient provision by law for this matter; whether the unfavorable legislation to which he alluded is not abolished.

Mr. RUMSEY: The matter is in the hands of the joint committee of the House and the Senate, and no final action has as yet been had. The danger, however, is not so imminent as it was a short time since.

Mr. VERNON, of St. Louis: I think that those persons who are acquainted with the railroad service of the country will know that very little good has been effected by the transportation of mails by the so-called fast-mail trains. All the business men of Philadelphia, Baltimore and other eastern cities mail their correspondence before five or six o'clock, and the train leaving New York at six o'clock takes them. The fast-mail train is to all intents and purposes a newspaper train; and at this time, when we are all advocating economy in every branch of the government expenditure, I think it is a very serious question as to whether the National Board of Trade should indorse any resolution which practically indorses an expenditure which is not really called for by the necessities of the country.

A vote was then taken, and the proposition, as submitted by the Chicago Board of Trade, was adopted.

Mr. RUMSEY: I would like, Mr. President, to submit for pub-

lication with the report of this meeting some statistics furnished me from official sources, which tend to show the magnitude of the "Fast Mail" service, and the importance of its being maintained.

Leave to print the statistics was granted. (See pages 151-152.)

The PRESIDENT: The next question is proposition number seven, in regard to bills of lading, etc.

Mr. FISHER, of Baltimore: I shall have to ask of the courtesy of the Board a postponement of this proposition until to-morrow, for the reason that it was suggested by my colleague, Mr. BAYARD, who has prepared himself with some interesting facts upon the subject which he would like to lay before the Board, but he is detained to-day by indisposition. I therefore ask the Board to postpone the consideration of the subject until to-morrow.

The PRESIDENT: The Board has heard the request of the gentleman from Baltimore.

The request was complied with and the proposition was so postponed.

Mr. CONKLING, of New York: I rise, sir, for the purpose of moving an adjournment, as the hour at which we agreed to adjourn has been passed some time; but before making the motion I wish to say that I think that good faith requires that we should adhere to our own rules. Of course it has been observed that the entire body of newspaper reporters have left their table and retired, and why? Why, sir, simply because we told them in advance that we would meet here at ten o'clock in the morning and adjourn at four o'clock in the afternoon. Now, sir, I suppose that gentlemen understand very well that they are here to speak that the nation may hear, and one of the ideas in coming to the city of New York was that the views here expressed might be widely disseminated throughout the land. Now, all that we lose, because those newspaper reporters have retired—for which I do not blame them—because at the first day of the session we fixed the hour of adjournment at four o'clock in the afternoon. It is not just to gentlemen who have come here prepared to deliver their views on certain propositions

that they should do so when not a member of the press is present, and I think we ought to adjourn at once. I will give place cheerfully, sir, to the advocates of a longer session; if they desire that we meet here at eight or nine o'clock in the morning and sit until eight or nine o'clock in the evening, I will agree to that; but having once named the hour I insist that good faith requires that we adhere to it. I move we adjourn.

The President put the question, and the vote being close, a division was called for, and the motion to adjourn was adopted by a vote of 25 to 15.

The PRESIDENT: The Board is adjourned until to-morrow morning at ten o'clock.

STATISTICS FURNISHED FOR PUBLICATION BY  
MR. RUMSEY. (SEE PAGES 149-150.)

## SUMMARY

*Of Monthly Reports of Mail Matter transported by the "Fast Mail" Line between New York and Chicago for the Six Months—November 1, 1875, to April 30, 1876.*

(Official.)

MONTHS.	MONTHLY TOTALS.				
	LETTERS.		PAPERS.		No. Registers in Transit.
	No. Pkgs.	No. Letters.	No. Sacks.	No. Pieces.	
November, 1875 . . .	146,160	8,769,600	29,024	5,804,800	....
December, 1875 . . .	156,976	9,418,560	31,726	6,345,200	....
January, 1876 . . . .	163,689	9,821,340	31,384	6,276,800	....
February, 1876 . . . .	158,451	9,507,060	31,156	6,231,200	37,649
March, 1876 . . . .	175,334	10,570,040	34,670	6,935,800	45,014
April, 1876 . . . .	164,882	9,892,920	33,708	6,741,600	44,258
TOTAL.....	965,492	57,979,520	191,668	38,335,400	126,921

SEMI-ANNUAL REPORT OF MAIL MATTER TRANSPORTED BY THE "FAST MAIL" LINE BETWEEN NEW YORK  
AND CHICAGO, DESTINATION ARRANGED BY STATES FOR THE SIX MONTHS ENDING APRIL 30, 1876.  
(Official.)

NUMBER OF LETTER PACKAGES, SIXTY LETTERS IN EACH PACKAGE.

Months.	New England.	New York.	Pennsylvania.	Ohio.	Michigan.	Indiana.	Illinoian.	Iowa.	Wisconsin.	Minnesota and Missouri and Kansas.	Missouri and Minnesota.	The Terri- tories.	Mixed and Local.
November . . . . .	14,258	23,387	9,704	16,870	13,702	8,903	10,519	7,258	5,903	2,967	3,376	1,464	27,723
December . . . . .	16,328	24,494	10,555	20,666	14,128	10,081	10,213	7,666	6,116	3,386	3,993	1,604	27,526
January . . . . .	18,329	23,774	10,862	18,984	14,638	9,213	9,169	8,977	7,390	3,977	4,688	2,343	31,182
February . . . . .	18,148	21,837	9,376	20,063	13,750	9,719	9,789	8,306	6,113	3,764	5,260	1,896	30,347
March . . . . .	20,584	25,896	11,740	23,025	15,288	10,316	10,886	8,787	6,051	4,118	5,769	1,740	31,189
April . . . . .	20,708	25,725	10,608	20,570	14,440	9,973	9,601	8,118	6,238	4,164	5,731	1,988	27,085
Total . . . . .	108,355	145,063	62,843	120,178	85,941	58,205	61,177	48,203	37,811	22,326	28,827	11,035	174,902

NUMBER OF NEWSPAPER SACKS, TWO HUNDRED PAPERS IN EACH SACK.

Months.	1	679	2,649	746	3,134	2,490	1,680	2,573	2,070	1,193	1,468	474	201	8,590
November . . . . .	1,679	2,296	736	3,331	2,886	1,819	2,890	2,434	1,486	1,652	561	816	8,072	
December . . . . .	1,816	2,849	863	3,201	2,892	1,798	2,721	2,249	1,318	1,716	540	1,193	8,269	
January . . . . .	1,650	2,560	809	2,989	2,754	1,631	2,613	2,225	1,347	1,893	520	1,563	8,525	
February . . . . .	1,707	3,450	826	3,506	3,289	2,026	2,934	2,604	1,452	2,195	651	1,376	8,866	
March . . . . .	1,494	4,192	809	3,137	2,808	1,807	2,929	2,365	1,359	2,046	687	1,428	8,398	
April . . . . .	1,043													
Total . . . . .	9,989	18,996	4,789	19,298	17,129	10,741	16,660	13,947	8,155	10,970	3,438	6,576	50,720	

## F O U R T H D A Y.

FRIDAY, JUNE 30, 1876.

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The Board met at ten o'clock, pursuant to adjournment, the President in the Chair. Prayer was offered by the Rev. Mr. Tiffany, of New York.

The PRESIDENT: *Gentlemen*,—I am very sorry to announce to you that our friends from the Dominion Board of Trade have this morning informed me that their engagements will carry them to Philadelphia to-day. While I am very sorry to part with them from this hall, I tender to them in the name of my own city a hearty welcome there, with the expression of the hope that they will meet with those things there which will enable them to realize what was said last night at the banquet—that this is “the Centennial year of *glory* for the United States” and for the mother country as well. [Applause.]

MR. ROBERTSON, of Montreal: *Mr. President and Gentlemen*, Before leaving for the City of Brotherly Love, the delegates from the Dominion Board of Trade would like to acknowledge and express their thanks for the warm and hearty greeting and kindly feeling that have been so happily shown to them during the time we have been here attending your meeting. I wish especially to thank those gentlemen of this city, composing the “New York Board of Trade,” “New York Chamber of Commerce,” “New York Cheap Transportation Association,” “New York Importers and Grocers Board of Trade,” and “New York Produce Exchange,” for the handsome entertainment given to us last night—which I have no doubt *you* will also acknowledge in your own good time and way.

I wish to thank them also for that splendid sail around this magnificent harbor of New York, which we enjoyed so much.

Mr. President, we would like, if it were possible, if we could remain longer with you and see more of you than we have. We hope that you can come and see us, and be with us at our Board of Trade meeting at Ottawa, as some of you have once or twice

been before. I have spoken to some of the gentlemen that I see before me and asked them to come and see us, but they tell me they do not like to come because they expect and fear a somewhat cold reception. It is quite true that we are here with the thermometer at ninety-six degrees above zero in the shade, and when you come to us in Ottawa it will probably be twenty degrees below zero—but I assure you you will not find it unbearable; and I can assure you of another thing—you will find warm hearts and a warm grip of the hand. These meetings, gentlemen, seem to me to be of great benefit. They should tend to soften the asperities which possibly might exist in different parts of the country, and learn us to know and esteem each other more and more—better and better.

I hope that in the future the time will come when, in the words of the Scottish poet (I beg your pardon, Mr. President, I should have said the world's poet), we may say,

“Man to man, the world o'er,  
Shall brothers be for a' that! ”

[Applause.]

The delegation from the Dominion Board of Trade then withdrew, with many good wishes.

Mr. LANE, of New York: *Mr. President*,—I should like to make an explanation and offer a resolution of courtesy. Having objected yesterday to the resolution offered by Mr. HENRY, of New York, inviting Mr. Peter Cooper, our esteemed fellow-citizen, to address us on the financial question, I desire to say that my objection was made solely for the purpose of saving the time of the Board, and in view of the fact that Mr. Cooper's views on the subject of finance were already before us in print, and not through any courtesy to Mr. Cooper; therefore I take great pleasure in offering this resolution, which I hope will receive the unanimous vote of the Board:

*Resolved*, That the National Board of Trade returns sincere thanks to Mr. Peter Cooper for kindly furnishing the members of the Board, in a printed form, his views on the financial question.

The resolution was unanimously adopted.

The PRESIDENT: Reports of committees are now in order, but if none are ready for submission, the first business in

order will be the resolution relative to the establishment of Scientific Schools, which was postponed yesterday, owing to the absence of some gentlemen who had charge of the resolution.

Secretary read the proposition, as follows:

V, Scientific Schools, submitted by the Board of Trade, New York:

*Resolved*, That in the opinion of this Board, the interference of Trades Unions with the system of apprenticeship, the active competition of foreign manufacturers with American industries in home and distant markets, and the increased attention given by governments abroad to the improvement of skilled labor by instruction in Science and Art, as applied to manufactures and trades, renders it important to our national progress that some steps be at once taken towards the establishment of Art and Science Schools in all the States of the Union, where working men and their children may receive such technical instruction as may improve and create skilled labor.

Mr. LANE, of New York: I move that the resolution be laid on the table.

The motion was lost.

The PRESIDENT: The resolution is before the Board, does any gentleman desire to speak upon it?

Mr. HOFFMAN, of Philadelphia: I move the adoption of the resolution.

The question was put and the resolution was adopted.

The PRESIDENT: Gentlemen, the next business in order is the proposition number seven on the programme, relating to Bills of Lading, offered by the Corn and Flour Exchange, of Baltimore.

The Secretary read the resolution, as follows:

VII, Bills of Lading, Railroad and Storage Receipts, submitted by the Corn and Flour Exchange, of Baltimore:

*Resolved*, That for the promotion of security in commercial transactions, the National Board of Trade recommends a uniform system of legislation regulating the issue, negotiability, and transfer of Bills of Lading, Storage Receipts, and like commercial instruments, by defining the rights of the holders thereof, and by preventing and punishing improper dealings with the same, or with goods covered thereby.

*Resolved*, That the National Board of Trade, in reviewing the subject—heretofore under its consideration—of abuses in existing forms of Bills of Lading and Railroad Receipts, affirms that the remedy for said abuses, lies within the scope and province of Federal legislation, under the powers to

regulate commerce conferred by the Constitution; that it is the duty of Congress to remedy said abuses by appropriate legislation, and that immediate exercise of that duty shall be urged upon Congress by such means and such manner as shall be determined upon by the Board at its present meeting.

**Mr. BAYARD, of Baltimore:** Mr. President, in addressing the Board on this subject, I am sensible, in the first place, of a very strong disposition to economise the time of this body, and for that reason I will be as brief as possible in the remarks I shall make. It seems proper, however, that there should be some explanation of the scope and intent of the resolution emanating from the Baltimore Corn and Flour Exchange. With regard to the first resolution, I will say that it is simply intended to bring before the the National Board of Trade a subject which has engaged the attention of our Exchange, initiated by them in view of a certain case of hardship occurring to a member of that association—the details of which are familiar to some if not to most of the members of this Board. It arose out of a fraudulent transaction in a bill of lading, and the outline of the case was simply this: A party received a bill of lading purporting to cover a shipment of two hundred barrels of flour and made advances upon it, pretty well up to value. Of this shipment only one hundred barrels of flour were delivered, and it was found the other one hundred barrels had never been shipped. The party sought recourse on the railroad company for the missing property or for damages occasioned by the non-delivery. A suit was brought in the courts of the State of Ohio to recover the amount claimed from the railroad company.

The decision of the courts in that case exhibits a disastrous conflict between the equities of the case and the technicalities of the law, and that development excited at the time, and has excited since, the attention of the commercial communities throughout the country. It was widely spread and commented upon, and the Baltimore Corn and Flour Exchange, seeing the necessity of introducing some remedy for that state of things, referred the matter to a committee, who, under competent legal instruction and advice, prepared and presented to the Legislature of Maryland a bill intended as a remedy for the difficulty so far as relates to contracts originating and maturing within our own State. That bill was passed and is now the law in Maryland. I will not occupy the attention of the Board with any special reference to its provisions. It was drawn by one of the first legal

minds of the country, and it is modeled upon certain existing enactments of the same character which gave us the suggestions that we needed. Notably, we have adhered in many respects to the existing laws of the State of New York, while the laws of other States have been examined, and it has been the endeavor to preserve some unity in the provisions of the law with those of other States. I have directed a number of copies of this act to be forwarded to me here, but by some unexplained accident of the express they have not reached me. The object in presenting the first resolution now before us, which embodies in substance, the actual detail of this act, was to obtain from the National Board of Trade an indorsement of the provisions of that act and a recommendation to its constituent bodies—the commercial bodies throughout the country—for the promotion of a similar uniform system. In this particular resolution there is nothing more than that we want to have the National Board of Trade recommend this subject to the constituent bodies. Not to take up your time further, Mr. President, in this direction, I would submit and ask the passage of a supplementary resolution, which is simply to that effect, which I will read:

*Resolved*, That the Secretary be instructed to transmit to the constituent bodies copies of the Maryland act of Assembly, with a recommendation of an earnest endeavor on their part to secure similar legislation in their respective States, and that the delegates to this meeting are hereby requested to use their personal exertions to the same end.

We do not wish to impose or thrust on anybody this act of the Legislature of Maryland as a model, but we merely throw it out as a suggestion, and in this way inducing action by the commercial bodies of the different States. We want, so far as practicable, a similar law, or a uniform system of legislation upon this particular subject. I should have said, in explanation of the intent of this act, that the gist of the law is to protect the *bona-fide* holder, for value, of bills of lading and warehouse receipts and, to place them, in point of negotiability, on the same footing as promissory notes and bills of exchange. I think if this Board recognize the great importance of this subject they will adopt my resolution. The Baltimore Corn and Flour Exchange will feel very much gratified by this indorsement and recommendation to the constituent bodies, through the Secretary sending out the copies of this law, which may induce the enact-

ment of similar laws in other States. I trust the resolution will be adopted.

The PRESIDENT: The resolution of Mr. BAYARD is now before the Board in the form of an amendment, by adding it to the other two on the programme.

Mr. HOFFMAN, of Philadelphia: *Mr. President*,—I do not see that we can act upon that resolution as it stands. We have none of us had time to examine the act of the Legislature which the gentleman from Maryland speaks of. Beside the subject of bills of lading has already been referred to the Executive Council and a committee has been appointed by them to take the whole subject under their consideration and report. Therefore, I move that the resolution be referred to the Executive Council, with power to act.

Mr. BAYARD, of Baltimore: It was not the intention of the resolution to ask the indorsement of this particular bill, but merely to ask the transmission of this act to the different commercial bodies, in connection with the original as it now stands on the official programme, which is in fact the detail of the bill. If it is necessary I will modify or alter my resolution, if it can be construed by anybody as specially committing the Board to the provisions of that particular act. It seems to me that the importance of the matter should be apparent to every one. I cannot see the slightest objection to the resolution, as every one must see the necessity for this legislation, in order that we may have such laws and such regulations as will cover and protect contracts made for transportation.

The PRESIDENT: I would suggest that the Board can adopt the resolutions without your supplementary resolution, and then refer that to the Executive Council to take such steps as in their judgment they should deem expedient to carry them into effect.

Mr. HOFFMAN, of Philadelphia: I make that motion that the resolutions be adopted as offered by the Baltimore Corn and Flour Exchange.

Mr. McLAREN, of Milwaukee: I second the motion for two reasons. I think that the resolution offered by the gentleman from Baltimore is inexpedient, because I believe that this Board

has already taken considerable action regarding this very thing. If I am not mistaken we have, in other cases, made just such appeals by memorials to different States, and so far as I recollect, they have not succeeded in accomplishing anything; and I believe the same result would follow in this case. Even if one or two, or a half dozen of the different States, would enact legislation as advised in the resolution — it would not bring about what is aimed at — and what I believe is necessary, uniform legislation. It seems to me that the resolution on the programme, and the one introduced by the gentleman from Baltimore, treat of two different methods of accomplishing the object. One recommends federal legislation — which I believe to be the only way — and the other recommends the legislatures to pass laws in the different States. I believe the proper way to accomplish this thing is to do it by the Federal Congress, and that that is the only channel through which you can secure uniform legislation on this particular subject.

Mr. BAYARD: I propose to divide the resolutions; they were intended to stand independently of each other; the first resolution treats of a difficulty in laws which now differ, but which can be met by uniform legislation. Such laws exist in many of the States now. For instance, in your own State, Mr. President, and in the State of New York. There is really nothing in this first resolution that the Baltimore Corn and Flour Exchange ask for, except that this Board will lend the weight of its recommendation to the procurement of such uniform legislation by the States as would regulate these particular points as to the negotiability and transfer of bills of lading and storage receipts — a ground which we think is fully covered by the Maryland Act of Assembly, and I only desire to use the Act as a suggestion to other bodies for their information and guidance. If they choose they can do as we did, consult the acts of other States. Now, the question that is embodied in the second resolution is, to my mind, entirely a separate one, entirely apart from the other. It relates to a very important and very much discussed subject, as to Congress having the power to interfere in commercial legislation. In presenting this second resolution to the Board, it is purposely sought to obtain from this body, a positive and specific affirmation of a principle which has been a good deal contested, and if approved by this Board, the resolution contemplates pro-

viding proper action under it for the reform of the alleged abuses. Here, we say, and we ask the National Board of Trade to say, that the remedy for these abuses is by congressional legislation. The existence of these abuses are, I think, conceded not only by general public opinion, but also by the specific action of this Board upon previous occasions—as at the meeting last year, under resolutions adopted unanimously, I believe, by the Board, as reported by the committee to whom this subject was referred. Now, we are asking the Board to affirm that the remedy for these abuses is within the scope and power of the federal legislature under the constitutional power to regulate commerce. This is a very serious point in the minds of some gentlemen, and we have not had the presumption to approach it so positively without having been fortified by a careful examination of the subject, and we feel justified in submitting this conclusion to the Board and asking its affirmation of the principle, on the basis of competent legal opinion on it. I hold in my hand, sir, an opinion written by the Hon. S. T. WALLIS, of Baltimore, who is justly regarded as one of the most competent authorities and exponents of Constitutional law in this country. Mr. WALLIS expresses himself broadly and clearly, and is supported by the decisions of the Supreme Court more than once,—“that it may under certain circumstances become the duty of Congress to intervene for the protection of citizens against abuses of power on the part of carriers.”

The opinion that I have referred to is a most able and exhaustive document. Were it not that I am sensible of the impropriety of trespassing upon the time of the Board, I should like very much to have read this opinion, because it sets forth the whole subject so much more clearly and exhaustively than I can do. Mr. Wallis refers not only to cases in which this principle is actually affirmed, in the decisions of the supreme court, but to numerous other instances in which the court,—recognizing the existence of these growing abuses in regard to the acts of transportation companies,—has delivered itself, when unable to do more, of admonitions which might have been accepted by the transportation companies as warnings of the result to which their monstrous assumptions of prerogative are tending.

They have not failed, sir, to point out cases of hardship arising to the citizen from these assumptions of the transportation companies, under which it becomes the specific duty of Congress to

legislate for their control. These intimations of the highest legal branch of the government have not been regarded, and this thing has gone on increasing until at last it has reached a point when we believe, sir, that the time has come to apply for the only possible remedy — that is a system of congressional legislation.

As to getting uniform and satisfactory action by the States we have long ago given that up as impracticable, although many of us are unwilling, or very slow, to recognize the principle of allowing any interference by the federal government with inter-state matters of legislation. Yet it appears to me that this question of the relations of the people — of the merchants of this country to the carriers — is that exception which authorizes us to appeal to the powers of the federal government, and in that alone can be found the remedy for the existing evil. It is for this reason that the Corn and Flour Exchange of Baltimore, presents this very strong resolution asking the solemn affirmation of this National Board of Trade; that it is the duty — not only the province, but the duty, of Congress to legislate upon this subject.

It is unfortunate, sir, that the deliberations of this Board have in many cases, failed of accomplishing the objects desired. That circumstance may have exposed us to more or less adverse criticism. It is the province of superficial minds to envy that which they cannot understand — the moral influence, direct and indirect, of this body upon the commercial centers of the country, indirectly perhaps upon the local, and even upon the national legislature is one of those things which is not known to the people at large. Now, sir, we had specially desired that this Board should take some specific action in the matter of recommending, — not only in recommending to Congress, but enforcing upon them the carrying out, if possible, of a system of federal legislation that shall define the rights and duties of carriers and the relations of the people to the transportation interests of the country.

Such a proposition, Mr. President, is not to be understood as an onslaught or attack upon the interests of transportation companies. We are all interested in fostering and preserving the best interests of those great institutions which contribute largely to the prosperity of the country. We desire to preserve the equities in relation to whatever may be done as to the defining of their duties, and I think if this subject were properly understood that they would themselves — justly expecting to meet with protection for their own rights — meet us in the effort to bring this

question of transportation down to a practical basis, and join us in demanding a general law that shall so define their rights and duties as to protect them from abuse, while it preserved the rights of shippers as well.

I feel, sir, as if I were unduly trespassing upon the time of the Board, and I will curtail my remarks, but before closing I desire to say a few words in reference to a very important subject, which we have already considered, namely, the establishment of a Department of Commerce. It, so to speak, involves not only this proposition with reference to railroad legislation, but it embraces the bulk of all the propositions before us for reform of all kinds, which have found expression in the subjects presented upon the official programme to-day and at most of the previous meetings of this Board.

The Board has acted upon this resolution for the establishment of a Department of Commerce. That appears to me to be the most paramount and important subject which has come under our consideration. After the able presentation of the subject by the gentleman from Detroit, and others, I refrain from saying much about it, although I was prepared to give it my strong support.

This question of uniformity in bills of lading and other provisions for the proper protection of those engaged in inter-State commerce, all point to the absolute necessity of some recognized head for the consideration of the commercial interests of the country, and which shall designate and suggest questions and subjects which should come under the special scope and province federal legislation. I shall be entirely satisfied, although the resolution contemplated specific action by the Board, if this matter be referred to the Executive Council, because I believe that the Council charged with the execution of the subject, would direct its best efforts to the securing in the first place the establishment of a Department of Commerce, and in the next instance to the securing of legislation, upon those subjects, such as is desirable.

If the principle which is affirmed in this resolution touches upon the conscientious feelings of any member of this Board it is of course open to their discussion, and I should be only too glad to hear their views. If it does not—if the affirmation by this Board of the principle that is asked for meet your views—then I think it may be safely left to the direction of the Execu-

tive Council; and I am not disposed in that case to press the supplementary resolution I submitted.

Mr. Joy, of Newark: *Mr. President*.—As an amendment to the motion now before the Board, I move to refer the whole subject embraced in proposition number seven to the Executive Council, with power to act. I make this motion because there are a great many questions involved in connection with the subject which might occupy the attention of the Board during the remainder of its session. I think, under the circumstances, that the suggestion I have made is the most fitting action for this Board to take on the subject at this time.

Mr. HAYES, of Detroit: *Mr. President*.—I would like to make a few remarks in regard to the progress of this very subject now in Congress, which, perhaps, will be somewhat new to the members of this Board.

You will recollect, sir, that last year an appropriation of \$20,000 was made by Congress for the purpose, among other things, of getting the very information that these resolutions call for—for the purposes of legislation; and as I intimated to you in my address day before yesterday, the President of the United States had recommended that course. I am also happy to say that since I have been here I have received a letter, saying that an appropriation will be made for continuing the inquiry; and I have been asked to prepare a bill for the action of Congress, which will place this matter where it belongs. If we succeed in establishing a Bureau of Commerce, that bureau will establish a railroad clearing-house for the purpose of covering such ground as this resolution proposes to cover. The present system of doing the business of the country by railway is so perfectly preposterous, so perfectly destructive of the better interests of the country, that we cannot continue much longer conducting the business in that way. The proposed Department of Commerce would bring about many reforms, not only for the country at large, but also for the benefit of the railroad companies themselves, by harmonizing conflicting interests. As soon as this Department of Commerce is placed on its proper footing in the national councils of the Government a railway clearing-house system should be organized, by which all these now fighting factions would be brought into one family; and in which every railway company will be entitled to a fair representation,

but will be left to transact their own business, in their own way, subject to a commission from the Department of Commerce, who shall see that proper regulations are carried out. The plan should provide that this railway clearing-house shall not only make a uniform bill of lading, but that any bill of lading to or from competing points in this country shall be a clearing-house bill of lading, no matter over what road it goes; that no single railway or single man can control that bill of lading; and that every bill of lading shall be uniform, and subject to the Government control; that all inter-State trade, which is reserved to the Congress of the United States to regulate under the Constitution, shall be governed by that clearing-house board, under the authority of Congress.

I would also state for the information of the Board that the Southern railway and steamship associations, by mutual agreement, are now at work under precisely what we want the legislation of this country to authorize by law, and that arrangement is working well and satisfactorily. Now, if we can only get a Department of Commerce established, and a railway clearing house established, all of our difficulties will be done away with, and the business of the country will be put upon a uniform system, and that is what we are trying to carry out.

Mr. COVINGTON, of Cincinnati: *Mr. President*,—I hope that the gentleman will live long enough to see his plan carried out. If he does I think he can attend the next centennial celebration. The point of the decision alluded to by Mr. BAYARD is that it was simply a decision rendered on the common law rule that the master of a vessel or railroad clerk has no right to sign a bill of lading for property as on board his vessel or cars unless it be really there. That same rule of course applies to all common carriers—to our railroad and inland commerce as well as to shipments abroad. It is the old English law rule, and has been carried out and held to in our country everywhere. If that decision had been made in other cities, the same conclusions would have been arrived at as in Judge Force's decision in Cincinnati, if there did not exist any special State law governing the question. Now what we want to get—or what the Baltimore Corn and Flour Exchange want to get is, I suppose, some enactment to prevent the public having frauds committed upon it under the rule of law as it now exists, which allows any man who is disposed to and can

find an official authorized by his position in a railroad company or on a vessel to sign bills of lading, to so betray his trust as to sign a bill of lading for one thousand barrels while he only has one hundred, and thereby commit a fraud upon whoever takes that bill of lading and advances money upon it, while the company is not bound for it. Now, sir, a bill of lading should be just as safe as it is possible to make any document—just as binding as any note of hand or any legal paper. When a carrier by his clerk or his agent issues or allows a bill of lading to be issued for property, that should be binding upon the company, whether that property is on board of the vessel or cars or not. He should be and must be held responsible for the acts or conduct of his employes in each and every case.

Now that is the whole problem. It is a very plain common sense question easily understood by every one. Now what we want is legislation by every State, that shall declare that when a common carrier, by his authorized agent or by a person recognized as his agent shall sign a bill of lading or other evidence of shipment he shall be bound by that paper, no matter whether the property is on board of his car or vessel or has ever been received or not. This proposition is plain and I think unanswerable—easily understood, and there should be no difficulty in having such laws passed. Now as to the negotiability of bills of lading or warehouse receipts. I think that there is no gentleman who has ever examined bills of lading will claim that they ought ever to be made negotiable. All that we want with a bill of lading is that it tells the truth when it states that we have shipped so much by the named conveyance, so that if we wish we may attach a draft and send it to the consignee. This gives the property to the proper person (the consignee) on its arrival at the place of destination.

I presume that our friends from Chicago—I know that we do in our city—are in the habit of drawing very closely on property they have shipped. The very moment that you destroy the integrity of a bill of lading you injure or destroy confidence and almost paralyze commerce between different sections of the country; and rightly so, because the consignee is not safe in making any advances—he would be foolish to do so—for he has no security until he has the property in his own warehouse. To sum up in a few words, it would be necessary to know whether a man sent *bona fide* bills of lading before any advances are

made; and how is he to know about the genuineness of these bills of lading — they may be frauds — which the companies are not responsible for. Now, sir, I think there is no necessity for referring this question to the Executive Council. I think that it would be a mistake to do so. We are so near the close of the session that it is evident that the Executive Council cannot take it into consideration and report upon it at this meeting, and if it should be referred to them it would be delayed another year, and while it is thus delayed the whole thing is open to fraud — or leaves it an incentive to fraud. Let us act upon it now and here.

The common law rule that the property received for must be actually delivered into the possession of the carrier — on board of the vessel or the car before any liability can attach to the carrier — opens the way for unfaithful clerks and designing men, who want to operate on them and lead them into temptation, to defraud innocent persons who are acting in good faith and are desirous of carrying on the business of the country in a legitimate manner. I do not think there will or ought to be any trouble about the passage of these resolutions. The whole matter is to me so plain. We ought to work in two directions — secure uniformity in State legislation and at the same time try and secure Congressional legislation. We might fail in one way and succeed in the other. I think it requires the immediate attention of this Board.

Mr. JONES, of Boston: *Mr. President*, — I believe that these resolutions should be acted upon to-day; they are too important to have postponed. I think the question is fully understood, and I do not know of any more important question in reference to commerce than that now before us — which is to define the position of the shipper and the common carrier. I believe that in England the right of the shipper is that when a carrier takes property for transport there is nothing that absolves that carrier but the act of God and the king's enemies, and that is a very simple law. I am, however, very much in doubt whether you can get the legislatures of the several States to take up this matter and adopt it according to our views; I doubt whether you can get the national legislature to do it. In our city of Boston some people think that the railroad companies are stronger than the State. I remember in the play of Lord Dundreary, it is asked why a dog wags his tail, and the reply is — because the dog is larger than the tail,

and if the tail was the largest it would wag the dog. Now this will illustrate and apply to the State and the railroad companies.

I know that the Boston Board of Trade, or rather the Corn Exchange there, have suffered a great inconvenience and trouble on the very points that Mr. BAYARD has mentioned, and we have been up to our legislature with complaints. But it is uphill work. You will find that you are met by the railroad interests, in a very formidable manner. You will find that if a merchant has an honest claim against a railroad, when he makes that claim he is referred to their attorney, and no matter how strong his firm may be, they have to encounter the corporation money of that railroad, and fight them step by step.

Surely there is no question of greater importance that can come before us, as has been well said by the gentlemen who have preceded me. It is, I think, of great importance to the whole mercantile community that we should act upon them without delay.

Mr. SARGENT, of New Haven: *Mr. President*,—I wish to offer an amendment.

The PRESIDENT: No amendment can be offered just now; the subject pending is, that the resolutions be referred to the Executive Council, with full power to act upon them. Mr. SARGENT may, however, read what he wishes to offer as an amendment, for the information of the Board.

Mr. SARGENT: The powers of the Congress of the United States extend to legislation on inter-State commerce, but not to State commerce. The second resolution as it stands now covers bills of lading on all merchandise, whether coming from one State to another or from one part of the same State to another point in that State. In so far as the resolution refers to merchandise transported from one part of a State to another part of the same State, Congress has no power to legislate. That is a State matter simply. Congress has the right to legislate upon merchandise coming from one State and going to another State, and not upon the commerce within any one State. Therefore that part of the second resolution which implies the right of Congress to act on anything but inter-State business I consider is wrong. I think if Congress can be induced to legislate upon bills of lading for merchandise passing from one State to an-

other, the States will immediately follow suit and make their State laws conform to the laws of the United States. So I wish to offer my amendment to accomplish this end.

I wish to insert after the word receipts, in the third line of the second resolution, the words, "covering merchandise transported or to be transported from one State to another." That is the amendment I wish to offer.

The PRESIDENT: If the Board do not adopt the motion for reference, then the gentleman from New Haven can offer his amendment.

The question of referring the resolutions to the Executive Council was then taken, and lost; yeas, seven; nays, twenty.

The PRESIDENT: The resolutions are now before the Board, and the amendment of Mr. SARGENT can now be offered.

Mr. SARGENT: I offer the amendment now which I have just read as an amendment to the second resolution.

Mr. BAYARD: I think that the amendment offered by the gentleman from New Haven, providing a proper distinction, as stated by him, should be incorporated in the resolution, and I am happy to accept it, and to say that it is a very proper distinction, which was lost sight of in the drafting of the resolution.

The Secretary then read the resolution, as proposed to be amended by Mr. SARGENT, as follows:

*Resolved*, That the National Board of Trade, in reviewing the subject heretofore under its consideration, of abuses in existing forms of bills of lading and railroad receipts, covering merchandise transported or to be transported from one State to another, affirms that the remedy for said abuses lies within the scope and province of Federal legislation, under the powers to regulate commerce, conferred by the Constitution; that it is the duty of Congress to remedy the said abuses by appropriate legislation, and that immediate exercise of that duty shall be urged upon Congress by such means as, and in such manner as shall be determined upon by the Board at its present meeting.

The PRESIDENT: It will be necessary to pass upon it, as there has been already a vote upon this resolution by the Board.

The question on the amendment was put and carried.

**Mr. McLAREN:** *Mr. President*,—I wish to move a further amendment, in order to save the time of this body as much as anything else. It is that, after the second time the word Congress occurs in the resolution, to add the words, “by the Executive Council, in such manner as it may find most practical and efficient,” and to strike out the latter part of the resolution, which would make the resolution read thus:

*Resolved*, That the National Board of Trade, in reviewing the subject heretofore under its consideration, of abuses in existing forms of bills of lading and railroad receipts, covering merchandise transported or to be transported from one State to another, affirms that the remedy for said abuses lies within the scope and province of Federal legislation, under the powers to regulate commerce, conferred by the Constitution; that it is the duty of Congress to remedy said abuses by appropriate legislation, and that immediate exercise of that duty shall be urged upon Congress by the Executive Council in such manner as it may find most practical and efficient.

The motion of Mr. McLAREN to amend and to strike out was agreed to.

The PRESIDENT: The question now recurs upon the adoption of the resolutions as amended.

And on the vote being taken, the resolutions as amended were unanimously agreed to.

Mr. BAYARD, of Baltimore: *Mr. President*,—A question of privilege, if I may be allowed. I desire to ask the permission of the Board that some of the documents which I was prepared to read on the subject of Bills of Lading may go on the record. I think that courtesy due to me, as I have abstained from inflicting upon the Board the reading of those documents. I refer especially to an important legal opinion.

The PRESIDENT: I would suggest to the gentleman to submit them to the Executive Council.

Mr. BAYARD: I will do so.

The opinion referred to by Mr. BAYARD was as follows:

BALTIMORE, June 19, 1876.

RICHARD B. BAYARD, Esq., *Chairman Committee of Baltimore Corn and Flour Exchange:*

MY DEAR SIR,—The laws passed at the recent session of the General Assembly of Maryland have now been officially published, and I find that the two acts which I had the pleasure of preparing for your Committee have reached the statute-book substantially as draughted. The act which regulates the issue and defines the negotiability of Bills of Lading and Storage Receipts will, I think, serve the purposes which your Committee had in contemplation, as well as could fairly be expected from local legislation. The subsequent act, for the promotion and protection of the rights of parties to actions at law, upon lost negotiable instruments, has removed a long existing obstruction to justice, which would have been doubly annoying, had it continued, now that the number of such instruments has been so largely increased.

After all, however, the protection of trade, in its relation to the carriers whom it employs, can hardly be secured by State action, unless indeed the common and pressing demands of the whole commerce of the country should be sufficiently influential to compel a degree of uniformity altogether unusual in State legislation. With the great thoroughfares of travel and transportation extending across the continent, made up of lines deriving their charters from different sources and subject to many and various codes and jurisdictions, it is almost idle to expect much from the isolated efforts of a few of the States through whose territory they pass. This conclusion, and the difficulty of concerted State legislation, are perhaps sufficiently obvious in themselves, but experience has made them too plain to need illustration. The subject, indeed, has attracted the marked and serious attention of the Supreme Court of the United States, as you will find by reference to the case of the State of Maryland against The Baltimore & Ohio Railroad Company, decided in May, 1875, and reported in the 21st of Wallace. I refer you especially to pages 473 and 474, where Mr. Justice BRADLEY, speaking for the Court, proposes and answers the pertinent question: "Has the public no remedy against exorbitant fares and freights exacted by State lines of transportation?" The answer is too long for me to quote, but you will find its point in a single sentence which I copy from page 474: "If, however;" says the Court, "State institutions should combine or become so consolidated and powerful as, under cover of irrevocable franchises already granted, to obtain absolute control over the transportation of the country, and should exercise it injuriously to the public interests, every constitutional power of Congress would undoubtedly be invoked for relief;" and, although the court did not decide, in terms — for the case did not require it to decide — that the constitutional power of Congress to regulate commerce would enable it "to counteract the apprehended impediments referred to," it is impossible, I think, to read the decision without seeing that whenever the occasion shall arise, the paramount authority of the federal government over the whole subject, in some shape or other, will be firmly upheld by the Supreme Court. That the occasion must very soon arise I think you will agree with me in believing. Indeed, the great carrier-corporations seem fatally bent on precipitating it by their

arbitrary modes of dealing, not only with the public at large, but sometimes even with the States themselves.

The great evil at present to be remedied — whether the task be undertaken by Congress or the States — is the almost absolute control exercised by carriers over what are singularly called "contracts" for transportation. It is now, substantially, the universal doctrine of the courts that the common law liabilities of carriers may be modified, by special agreement, to any extent short of exonerating them from the consequences of their own negligence. This is, no doubt, altogether consistent with principle, and would be very well in practice, were it not for the extreme latitude of decision as to what constitutes a "contract," varying the common law. Every ticket thrust upon a passenger at the instant when he starts upon his journey, every printed receipt or bill of lading which is handed to a porter or a messenger when merchandise has been delivered for transportation, is gravely dealt with by the courts as if it were the deliberate agreement of the passenger or shipper, and as if he had solemnly considered and freely accepted it, with all its multitudinous and onerous terms and provisions. Every one, lawyer or layman, knows, nevertheless, that such an assumption is almost universally at variance with the fact. It is our common experience that, practically these so called "contracts" are simply imposed by the carriers on the public at their pleasure, in the hurry and dispatch of travel or business. You know, as every merchant knows, that in ninety-nine cases in the hundred, their contents are never read, much less discussed or considered, until some right unconsciously surrendered, is sought in vain to be asserted. It is a familiar fact to you and your associates that bills of lading for inland transportation have grown, in many cases, to ten times their former dimensions and that the elaborate and ingenious clauses of exemption from liability with which they are filled, lie hidden, for the most part, in type so diminutive as to be practically illegible. The Supreme Court has had occasion to denounce these typographical impositions in policies of insurance, and it is safe to say that they are practised to at least as serious effect in the receipts of carriers.

Of course it is easy to reply to these considerations, that if travelers and merchants, for the sake of convenience and despatch, will submit to the dictation of transportation companies, they have no right to expect that the courts shall protect them against themselves. Doubtless there is much force and reason in this, and the evil, in the main, is one for legislative rather than judicial cure. Nevertheless, there is undoubtedly room for greater strictness than the tribunals of justice generally apply in such cases. The traveler and the merchant are, for the most part, under a sort of practical duress, in their dealings with carriers, and sufficient importance is not always attached to this fact by the courts. Where the carrier is a monopolist, to dispute his terms is practically to incur the penalty of exclusion from travel and transportation. Even where there is no positive monopoly, the common interest of carriers in the diminution of their risks is pretty sure to produce combinations, before which the community is powerless. There is no equality, therefore, between the citizen and the carrier. The former is almost constantly helpless — invariably at a disadvantage. Of course he may sue, in many cases, where transportation is refused upon unjust or illegal grounds, or in

the sheer exercise of arbitrary power; but his business is travel or trade, and not litigation, and he is soon taught that lawsuits have little terror for powerful and wealthy corporations. In this state of facts it is not, I hope, presumptious to suggest, that when carriers insist, in the courts, on their exemption from common law obligations, by special "contract," they should be held to far stricter proof than they commonly are, that the particular "contract" which they set up, was knowingly, freely and voluntarily entered into. The presumption ought to be rigidly in favor of the common law liability, and the burden of proof that such liability has been waived ought to be as rigidly imposed. It ought not to be regarded as satisfactory proof of waiver, or a contract of waiver, that the customer has been handed a printed paper, deliberately prepared by the carrier for his own exemption and delivered to the customer when the latter has neither time to examine it nor opportunity to protest against it. In other words, when a man asks for a ticket, or sends for a bill of lading after his goods have been delivered, it ought not to be a presumption of law or fact that he assents to and accepts everything which may have been printed on the paper that is given to him.

But, as I have said, it is only in legislation that full relief can be found. In the case of the Delaware (14 Wallace, 596-7), Mr. Justice Clifford delivering the opinion of the supreme court, refers not only to "legislative provisions," but to "Congressional legislation," for the ultimate regulation and measure of the obligations imposed by bills of lading. It is true that the contract, in that case, was maritime, but the constitutional power of Congress to regulate commerce is the same on land as on water, when the proper call demands its exercise. In what form legislation will be most effective can be best determined by practical men whose experience familiarizes them with the evils to be remedied. Two things, however, seem, at all events, to be indispensable.

1. To define the liabilities from which public policy forbids that carriers shall be exempted, even by contract; and
2. To prescribe the proof by which contracts of exemption, when permitted by law, shall be judicially evidenced.

There appear to be some exemptions which should not be allowed at all; either because they are improper in themselves—as when the carrier seeks protection against his own negligence—or because they may enable the carrier, indirectly, to escape from the consequences of his own negligence. Of this latter class are the large number of cases which occur, where goods are damaged by fire or collision, on the road or at remote stations, and where the whole proof is so entirely within the control of the carrier and beyond the reach of the owner of the goods, as to render it easy for the grossest negligence to pass unpunished.

In respect to the mode in which contracts of exemption shall be judicially proven, a single suggestion appears to me to be very apposite, viz: that certain exemptions would never be allowed, unless under a contract *written* (and not printed) and upon some other substantial consideration than the mere agreement to carry the goods received for.

To go further into details, would be to extend this communication beyond reasonable limits, if it has not already exceeded them.

Very respectfully and truly yours,

S. T. WALLIS.

The PRESIDENT: The next proposition is from the "New York Cheap Transportation Association."

Mr. WETHERILL, of Philadelphia: I move that proposition number nine be considered with it.

The PRESIDENT: The Board has heard the motion, that propositions number eight and number nine be considered together.

The motion was agreed to.

The Secretary then read the propositions, as follows:

VIII., submitted by the Cheap Transportation Association, of New York:

WHEREAS, The application of steam to the purposes of transportation has revolutionized commerce, and on land has resulted to a great extent, in the supersedence of the old public highways, by a new and improved system of roads which are almost entirely under private control, and

WHEREAS, These highways possess and exercise powers of taxation for this service, from which are derived an annual revenue far in excess of that of the Government of the United States, and there is reason to believe that this power is not exercised equitably or impartially, therefore

*Resolved*, In the opinion of the National Board of Trade, that while the evils and defects under which we are now suffering, were perhaps, inseparable from so great a revolution in the means of transportation, yet the railroad is now emerging from its transition state, and is assuming its permanent place as a citizen; that it is of the greatest importance that its rights and duties, as such, should be properly defined, and the intimate relations which exist between the public and those who now control public highways equitably and permanently adjusted.

*Resolved*, That the control of public highways is one of the inalienable rights and attributes of sovereignty; that the power to make or mar the fortunes of individuals or communities that is assumed by those who now control our principal lines of transportation is detrimental to the public welfare, and one that should not be exercised by any man or set of men without proper supervision and regulation in the interest of the State; that means should be devised by which our present inadequate, incongruous and chaotic system of transportation can be regulated, the extreme fluctuations in rates avoided, the disastrous so-called "railroad wars" prevented, and certain general rules (including a uniform classification of freight) adopted, which will be binding throughout the United States.

*Resolved*, That the first step in the solution of this great question should be the acquirement of full and exact information upon which can be based just principles of action; and to this end we recommend to the attention of Legislatures, both State and National, the necessity of providing for the compilation of statistics and information by men of character, capacity and special fitness for that service.

IX, submitted by The Board of Trade, of Philadelphia:

The Philadelphia Board of Trade suggest the propriety of discussing the following proposition, viz:

That freight charges by railroads should be divided into the two charges of mileage and terminal expenses, the first item to be proportioned to distance, and both charges to be the same to all shippers of similar goods in similar amounts.

Mr. HENRY, of New York: In regard to the first proposition, submitted by the Cheap Transportation Association, of New York, it is hardly necessary to discuss it. The preamble and the resolutions so fully state, and at the same time so very clearly make out the case, that it seems to me they should be adopted here without one word of discussion. It is well-known—and has been apparent for some time—that we have yielded all the rights to railroad companies that we could possibly yield. The right of eminent domain is yet with the people, and it is high time that something was done to protect the rights of citizens, and to adjust the rights between the citizen and these railroad corporations. The railroads have made, in many cases, one set of charges for one individual and another set for another. Special contracts have been made and are being made to the detriment of the honest trader, and to the detriment of the honest railroad corporation. Some persons have been under the impression that the present railroad war, and the preceding railroad wars were an advantage to the general community. It seems to me it is a great error to think so. It makes trade and trading in our western products only a little less than gambling, and so, too, of every merchant in New York, Philadelphia and Boston, and all the sea-board cities—and I may say the same of the merchants in Cincinnati, St. Louis and Chicago. All the merchants in these cities are kept disturbed and can make no intelligent business calculations because they cannot tell anything about what freight charges are to be for any given time, and they find themselves all subject to the whim or caprice of a few men, who sometimes can make or ruin the whole mercantile community in a day. I hope that this proposition and every proposition that bears upon this matter, that is educational, or in its tendencies is to reform the present abuses and usurpations of these great corporations will be adopted. As regards the proposition submitted by the Board of Trade, of Philadelphia, it strikes me that that is also eminently fair and proper, and I hope that it will be passed in con-

nnection with the proposition of the New York Cheap Transportation Association. I see that my friend Mr. Watrous, from New York, is here, and I hope that he has something to say on this subject.

Mr. WATROUS, of New York: *Mr. President*,— It hardly seems necessary to say a word at this time on a subject of such great importance. Here is a vast power, greater than any other in this country, except that of the Government itself, and whose revenues far exceed those of the Government, and yet there is no control over it whatever, except here and there some State legislation, and in some cases the legislation of one State is in conflict with that of another. Now, sir, it is not only the power they possess and exercise in the transportation of freight, and the establishing of rates thereon, but they have a power greater than was ever known in any country in influencing legislation for their own benefit. This is shown by the great number of our legislators who have been ruined by them, and who have been obliged to abandon public life and position in consequence. I do not mean to say that, by having a Bureau of Transportation, we could prevent railroads from offering bribes. I only allude to it to show the evil of intrusting such vast power to any corporation without some authority to hold them in check. The question to-day in Germany before the Prussian Diet is, what shall be done with the railroads; and it seems more than probable, from the lengthy debates on the subject, that the State will have to take possession of them. We are worse off, in some respects, than they are, because we are a republic and they are a monarchy, and it would be impossible for us to frame laws under our system of government, jealous as we are of individual and corporate rights, that would produce the same effects here as there.

But, sir, it seems to me that we should have a National Bureau of Transportation at Washington to give us information of what the railroads have done and are doing, even though it has no power to exercise control, and then we should have a board of commissioners in every State of the Union. This commission system is working admirably in Massachusetts. There are none of what are called striking bills introduced there by members who wish to set up whisky-shops or pay off mortgages on their farms. But whenever the legislature of the State of New York assembles, members are ready to introduce bills on railroad ques-

tions that they know are unfair and unjust to the roads, simply that they may be bought off.

Now, Mr. Chairman, if, in this State, we had a commission similar to that of Massachusetts, with such a man as Charles Francis Adams, jr., at the head of it, the New York Central road would not be obliged to keep an agent at Albany, with a salary of ten thousand dollars a year, and several assistants with unknown salaries. Neither would the Erie be obliged to spend a hundred thousand dollars during a single session; but any bill that should be introduced without the indorsement of the commissioners would stand no chance of becoming a law, and the business of the railroad striker would have departed forever. I sincerely hope, Mr. Chairman, that these resolutions will pass, and that the Secretary of this Board will take immediate steps to bring this matter to the attention of Congress.

Mr. WINSOR, of Philadelphia: It is a little remarkable, Mr. President, that with all the discussions we have had on this matter, and they have extended through several years, that we have heard from only one party that is interested in this question. Under these circumstances we ought to be the more careful to be fair to both parties. The peculiarity in my mind of a railroad bill of lading is this, that it is framed by one party without consulting the other, and from the very necessity of the case that must be so.

It does not differ in that respect from a policy of insurance—that is always framed by one party—the insurance company. The other parties are not consulted about the framing of it. But we should notice that no body is obliged to accept it from any one company. He may take his choice among any number of companies, and if he can do better with one than with another he can go to it. In this way insurance companies are kept in control as regards the framing of their policies and the conducting of their business. Did we not have this control over them, were there not this competition among them, they might get as overbearing as other corporations who have a monopoly. I wish to have these matters regulated as soon as may be, but I believe to go to Congress at this time, in relation to the transportation business, would do no good at all. On the contrary I think it would be very sure to be promotive of evil. The time is certainly coming—and now not very far distant—when these rail-

road corporations will themselves demand legislation to save themselves, for they cannot continue to carry on these pernicious wars with each other in which they are engaged from time to time. I believe that within a very short time these roads will be sure to demand legislation to protect themselves from each other, and I think that when they do that then the parties on the other side—the side of the people—may, and should come in with their complaints of abuses and wrongs. Let us then see to it that a law is made which will be just to all parties, giving the people such protection against monopolies as may be required. But at the present time I feel quite sure that any attempt at legislation by Congress would be very injurious, and much more likely to do harm than good. I think that any one who is acquainted with the subject must know that the state of things now existing between the principal railroad companies cannot last much longer. We all know, as business men, that no business can be carried on very long that is not remunerative to the parties engaged in it. The matter is so complicated and the time of this session is so short, that I am not going into this question very extensively, but I am confident that any partial legislation, that does not look at both sides of it, and protect the interests of both parties, will be of no avail and do no good.

The gentleman from Detroit, Mr. HAYES, has told us what I am very glad to hear, that there is, at this time, some movement on foot that will bring these roads to an agreement that is likely to be enforced. They have combined many times before but have never been able to maintain their agreements with each other. It is absolutely necessary for their own good that there should be some power to control them and I think they are going to try and find such a power themselves. I believe that very soon this matter will be settled as satisfactorily as it can be, but it is absolutely impossible to have the transportation business done to please everybody. I have been engaged in it all my life, and for twenty years I have watched it very closely, and I know it cannot be done in such a manner as to give universal satisfaction. There will, sir, always be complaints in regard to it; most of those complaints are reasonable, but some are unreasonable. But it may be regulated and arranged very much better than it now is, and we want to get as near perfection as we can. But I do hope that we will not go to Congress at this time asking for legislation on this subject.

Mr. WATROUS, of New York: I have no doubt that within a year they will be asking for legislation, but how will they do it? They will go to the legislature and have their men all there, and who is on the other side? Any commissioners? Not one. Now how are we to get at that? Shall we wait until next year? Probably the same excuse will be made next year. We have five or six railroad wars every year. They get them up whenever they choose, and they give no notice when their rates shall be changed, and consequently no merchant can make any contract for future business with any safety. He may find that his neighbor next door, who got his goods over the road three days after he did, got his freight twenty-five per cent cheaper.

Now the object of these resolutions is to get commissioners, not with power to interfere with the running of the roads, but commissioners who will recommend legislation. I do not imagine that Congress is going to do anything in regard to legislation on this question during this year, but we want commissioners who can study this question up and have something to recommend to the incoming Congress, and if we don't do it now it will only be put off for another year, when, perhaps, the same excuse will come up, and it may then be put off for still another year. Now I hold that this is the time, and if we press it we shall probably win this victory, which will be the greatest victory ever won by the people of this country.

Mr. RANNEY, of Chicago: *Mr. President*,—I was going to move that the consideration of these resolutions be postponed until the next meeting of the National Board of Trade.

Mr. HAYES, of Detroit: *Mr. President*,—I would like to give an illustration that will cover one side of the question. The railroad corporations of the country cannot afford to carry on their business at the present rates. When the rate was changed from thirty-five cents a hundred to twenty cents a hundred, there were four millions of bushels of wheat in the warehouses in New York. The price of that wheat was based upon a thirty-five cents rate. There was about an equal quantity at the West waiting for this four millions of bushels on hand in this city to move, so that the four millions could move in. Now the four millions on hand in this city was the first in the market, and the value of that four millions depended on what the balance in the West could be reproduced for here in the East. Now, by the very fact

of the existing rate of freight being changed, by the operations of two or three men, from thirty-five cents to twenty cents a hundred, you have taken fifteen cents a bushel off of the four millions of bushels that are in New York. The four millions of bushels to come forward did not increase in price. The railroads carried it at a loss, and the owners of the four millions of bushels here have lost by depreciation six hundred thousand dollars. That is the way the two sides operate. We want to, and must, have that regulated.

Mr. HOFFMAN, of Philadelphia: I have no objection, sir, even to the passing of the resolution of the New York Cheap Transportation Association; but I think there is a bill already, Mr. President, in the House of Representatives at Washington, which will cover a great deal which they desire, which my friend Mr. HAYES speaks of, and that is Mr. Hopkins' bill, the object of which is the fixing of rates of freight and its classification — compelling the railroads to fix a certain rate for a certain number of months in the year, and the classification of the different kinds of freight, and that they shall not deviate from that rate in any case. The railroads would never fix the rates at any lower price than would pay them a fair profit, and the stockholders and the bondholders of the road would be sure of some return. Security would be assured to persons operating in breadstuffs or anything else. I was going to offer a resolution, sir, that we should recommend that bill to the favorable consideration of Congress, but I suppose it would be useless to offer it at the present time, as the bill has not probably been examined by members. I would like the first resolution passed, and the whole subject should then go to the Executive Council to act upon at their first session.

Mr. WATROUS: *Mr. President*,—I would like to ask the gentleman from Philadelphia the nature of that bill now in Congress.

Mr. HOFFMAN: It is to fix a rate of freight which shall not be deviated from during certain seasons of the year and for a certain length of time, and to classify certain kinds of freight. That would of course only operate upon through freight. The United States could not regulate the charges of the railroads within the limits of their own State. But that part the State laws could come in and regulate.

Mr. WATROUS: No such bill as that could pass the Congress of the United States. No Congress can say what I shall charge for carrying freight or doing business.

Mr. HOFFMAN: It is for the railroads to fix the rate of freight.

Mr. McLAREN, of Milwaukee: I move that subject number eight be indefinitely postponed.

The PRESIDENT: That motion is now before the Board — that proposition eight be indefinitely postponed..

A DELEGATE: Excuse me, sir, I understand there was a motion that it be postponed until the next annual meeting of the Board.

Mr. McLAREN: I hope my motion to indefinitely postpone will prevail, because I do not want this subject to come up before us again as it does now. It may be that I am lacking in ability, in not understanding what these preambles and resolutions mean — but I cannot understand their assumption that a railroad is a citizen of the United States. I cannot comprehend it. It is new to me. It may be that the money that I pay to a railroad company for carrying a cargo of grain is taxation, but I have always considered that it was a *quid pro quo*, for value received. Now, sir, I think that the best way for us to go at these things is by subject No. 7, which has just been disposed of, or in subject No. 9, which has been joined, improperly as I think, with subject No. 8. Let us go to work to secure practical remedies, and let the politicians and the like fight over abstractions.

It may be that these sudden changes bring heavy losses to some parties, but I beg, sir, to state that there was not an owner of wheat in the City of New York during the month of April that did not know or feel sure for the three or four months before April that it was almost certain that the price of his grain would decline — by the decline in the rates of transportation. They knew also, or ought to have known, that it did not lie with the railroad companies to bring about this change of rates, but with the water transportation — that brought it about. It is the competition with the water transportation that brings down freight in the spring of the year. As every one knows the water transportation in this country is cheaper than that by railroad, and it is this water transportation that I believe we have to rely upon

to bring us fair and equitable charges for transportation. I do not know, Mr. President, that I care to discuss this matter very fully.

This resolution proposes, if it proposes anything, that we should ask Congress to collect statistics in regard to this question. Now, sir, statistics are very valuable. I believe that it is one of the duties of this Board, and as one of the original movers of the proposition to form such a Board as this, I would say that one of the purposes originally aimed at in this Board was to place statistics in such a position that they could be found by every man in the United States. I believe the United States does collect statistics, and I think that if we should go to Congress and ask them to collect statistics, we would be met with the statement that the Senate had had a committee at work a whole year, or nearly so, to thoroughly investigate the questions we have been discussing—to examine diligently by traveling and otherwise, and that they had prepared a very able and elaborate report upon the whole subject of railroads and other transportation interests of the country.

**Mr. WATROUS:** I am not engaged in the trade of grain in New York, but I have always supposed that the persons who were engaged in that trade were as shrewd men as can be found anywhere, therefore, I am surprised to hear that they held four or five million bushels of wheat here during the month of April, and knew that it was going to go down and would not sell it. Now, Mr. President, as to railroad transportation, the gentleman from Milwaukee says that water transportation is cheaper than railroad. If he will inquire at any of the railroad offices he will find that we can bring all heavy goods from Chicago here to-day a great deal cheaper by rail than we can by water.

**Mr. VERNON, of St. Louis:** *Mr. President*,—I am sorry to see that some opposition is manifested toward the passage of this resolution, which, as I understand it, is simply one asking legislation, both State and National, to provide for the compilation of statistics relative to our railroad property. It may appear of very little importance to the gentleman from Milwaukee whether we procure these statistics or not. We must remember that the railroad companies have received eminent rights from the public, and to a certain extent they are responsible to the public for the due

exercise of the privileges that have been conferred upon them. The gentleman from Milwaukee, I believe, alluded to something about taxation. Now, if I recollect rightly, Mr. President, most of the railroad companies in Wisconsin, are built with bonds partly subscribed by the different counties and towns, and by loans from the State. Now if the road from Milwaukee to Chicago cost thirty-five thousand dollars, in bonds, a mile to build, and if it cost in reality only twenty thousand dollars a mile, and if the railroad company has to pay the interest on that thirty-five thousand it has to keep up a higher rate of charges than is compatable with the actual cost, and is a direct taxation upon the people of the country. Allusion is made by Mr. WATROUS to Mr. ADAMS of Massachusetts. I have known him for many years and there is no doubt but that he is the most able and competent man that is now engaged in the examination of transportation questions. But Mr. ADAMS admits himself that after having been a member of the railroad Board of Commissioners of the small State of Massachusetts for eight years, that those statistics that he got from the railroads, who showed him no hostility, are only approximately correct. Now, then, Mr. Clifford, of the Boston and Providence road, says that at the end of every year they took two or three hundred thousand dollars of earnings and put it in permanent improvements. Now, what was the result? The industries of that country, through which the road passed, are taxed every year in the difference between the three hundred thousand dollars at six per cent and the three hundred thousand dollars itself, to make the road more profitable to the stockholders. Now, I think there is no harm in asking the attention of the Legislature to the compilation of statistics, because we cannot legislate about railroad property until we know their actual condition. Let me tell you, Mr. President, that I have had, perhaps by force, to study this thing. Each railroad has its different laws. The result is that we can never arrive at a correct data as to what transportation does or should cost. Now, the object of this resolution, as I understand it, is to get actual and correct data, so that in the event of the railroad companies being in a position for legislation, we may have a firm basis on which to stand. I do not know whether it is in order to propose that the amendments made by the delegates from Milwaukee and Chicago be laid upon the table; if it is in order I would make that motion, and that the original one be adopted.

The PRESIDENT: No motion is in order except the motion which is now pending, which is for the indefinite postponement of the whole subject.

Mr. ROPES, of Boston: *Mr. President*,—I am very unwilling to take the time of this body, and I will do so for only a few minutes. This is a subject which, as some of my colleagues know, has come up before us from year to year, and has very much interested us, and, it seems to me, it rests on a principle which has not been sufficiently recognized and brought before us in our discussions. It belongs to that class of subjects which we may call monopolies. Not that I mean to say so in any invidious or unjust sense. But, any gentleman who will read the preamble of proposition number eight, and the resolutions, will see that that is the gist of the whole thing. That when a railroad is built, the people are, from the very nature of the case, at the mercy of that railroad. Unless a superior power assumes and maintains control over it, the community must be at their mercy. Now that very fact of monopoly gives a right to legislate. We would not allow any class or corporation of men to assume the right of carrying our letters or dictate to us on the subject of food, or our clothing, or anything else, so long as we could prevent it. But yet, when you have a railroad with one terminus in Boston and one in Albany, you have a monopoly which is quite impossible for the people to control. Even those railroads which have, in some degree, to submit to competition, try to and do, avoid the competition by coming together and raising and lowering freights at their pleasure, and, as we have been told, causing the merchants of New York in one moment the loss of half a million of dollars. This is too important a subject for us to let pass by, it should be acted upon promptly. I do hope that we will do with this the same that we have done with the tariff, currency, and such subjects as require reform. I would say, that my own State, Massachusetts, has done something in regard to this subject, but we intend to do something more than the mere appointment of commissioners. I have had the honor of sitting two sessions as a member of her Legislature, and there is no subject that has attracted more attention.

Let us, Mr. President, keep this matter alive by passing these resolutions, for they are most certainly harmless, and may do very much good. My friend from Philadelphia says that we have only

one side of the question heard here. But what, I ask him, is the other side? It is a monopoly. They don't want to come here. Why should they? They have the power in their own hands, and they are not coming here to ask us to take that power from them. Quite to the contrary, they would rather that we should keep quiet, say nothing, and let them hold on their power. It is the same as if we should discuss bank currency. Do you suppose that the bank officials would come here and ask us to take their notes away. I hope, Mr. President, as I said before, that these resolutions will be adopted.

The PRESIDENT: The question is upon the indefinite postponement of the resolution.

The question was put, and the motion was lost.

The question then recurring on the adoption of propositions eight and nine of the programme, they were adopted.

Mr. NOURSE, of Boston: *Mr. President*,—The committee to whom was referred the amendments to the constitution, would like to report.

The PRESIDENT: Mr. NOURSE, from the committee appointed yesterday, asks to report at this time. Shall he have leave?

The permission to report was granted.

Mr. NOURSE: *Mr. President*,—The committee have given very careful attention to the subject referred to them, and four of them agree in this report, which contains the substance of that which is printed in the programme on the first page. They recommend that Article IV, section 2, be amended so as to read as follows:

The administration of the affairs of the Board shall be vested in a President, a First and Second Vice-President, and an Executive Council, of which the President and Vice-President shall be ex-officio members. The other members of the Executive Council shall be ten delegates, to be elected at large by the Board, and one member from each constituent body, to be chosen as hereinafter provided. Ten members of the Executive Council shall be a quorum for the transaction of business. The President, two Vice-Presidents, and ten members at large, shall be elected at each general meeting of the Board. Their election shall be by ballot, and a majority of all the votes cast shall be necessary to a choice. Their election shall be the first business in

order after the submission of the reports of the Council. In the absence or disability of the President, a Vice-President, having precedence in their numerical order, shall serve in his stead; and, in the absence of the President and both of the Vice-Presidents, the Executive Council shall designate one of their number to serve as President *pro tempore* of both the Board and the Executive Council. The representatives of constituent bodies, who shall serve as members of the Executive Council, may be designated by the associations they respectively represent, or may be chosen by each delegation in attendance at any meeting of the Board, who shall, at such meeting, certify in writing to the Secretary, the appointment of the delegates so designated or chosen; and, in case of the attendance of but one delegate, representing a constituent body, he shall be ex-officio a member of the Executive Council. Whenever any subject of great importance shall require such early action that there shall not be time to convene the Board for its action thereon, the Executive Council shall have power to act fully and conclusively on such subject, and shall report their action at the next ensuing meeting of the Board.

Such is the amendment as reported by the Committee, and, Mr. President, unless the Board shall take up and act upon the report at the present time, the Committee desires that it shall be assigned to a special hour to-day.

Mr. HENRY, of New York: I move the adoption of the report of the committee. I have always thought, Mr. President, that it was fair and right that each constituent body here should have a member of the Executive Council. It does seem to me that that would only be justice to all the constituent bodies.

The PRESIDENT: It is moved and seconded that the Board proceed to the consideration of the subject reported on by the Committee, which has just been read.

The motion for the immediate consideration of the report was adopted.

Mr. BUCHANAN, of Trenton: I move that the report of the committee be printed, and laid over for consideration at the next meeting. It is an important change—a change which I do not understand, which I do not believe five members on this floor understand. I think it is an amendment which we are not prepared to discuss and decide upon at this late stage of this meeting. It seems to me it would give more general satisfaction if the report was printed and distributed to the different Boards, and submitted at our next meeting.

Mr. NOURSE: As the subject is now properly before the Board,

it seems proper that I should say something upon the question. The article which is proposed by the committee is substantially the same as that which was proposed on the programme as the second amendment to the constitution, with this difference: that it provides for the election of ten members at large of the Executive Council, preserving in that respect the old organization of the Council, so that there will be in the Executive Council those persons who are familiar with its affairs, to be elected as the special representatives in the council of the National Board of Trade itself, whereas the members of the Executive Council to be chosen by the constituent bodies will be the representatives, especially of those bodies in the Council. It was believed by the committee that the strong expression of opinion manifested by the Board on the former discussion of the subject, that there should be no long intermission in the general meetings of the Board, was so strongly impressed upon the minds of every one that no attempt would be made by the Executive Council at any time to supersede the general Board in its discussion, and in its function of deciding upon all important affairs. The last clause of this report, providing that the Executive Council may act fully and conclusively in certain instances, has the hearty approval of the Committee, because there are circumstances occurring all the time when it would be impossible to convene the Board in season to act upon the subject. We have an illustration of that in a subject which was acted upon by the Board yesterday, when fortunately it was in session. The silver legal tender bill had passed the House of Representatives and gone to the Senate; in the Senate it would apparently have passed if a quorum had been present. In such case we suppose it possible, as it no doubt would be, to convene the Council when such a measure was pending, though it would have been probably impossible to have convened the Board in time to have presented this remonstrance which we adopted yesterday. It is believed that this power, which is conceded in that paragraph of the report to the Executive Council, will be rather of a negative and conservative character, to prevent hasty and mischievous legislation, rather than of a positive character. It is not expected that the Executive Council will act primarily and conclusively on any subject on which there is sufficient time to take the sense and consideration of the full Board.

**THE PRESIDENT:** The question is upon the motion made by Mr. BUCHANAN, that this report be printed and that it be placed upon the programme at the next meeting of the Board.

**Mr. ROPES, of Boston:** I think this proposition from the gentleman from Trenton is eminently desirable. I think we shall all see, upon consideration, that this is a very important change in the constitution of the Executive Council, and it is such a one that we ought not, hastily, to pronounce upon it. It seems to me that it will do one of two things; it will either be entirely inoperative, and the Executive Council will go on as before, or it will virtually abrogate the National Board of Trade, and substitute for it the Executive Council, containing only one member from each constituent body in the country, and ten delegates at large, and the total number according to this organization now reported, will, as I understand it, exceed forty. Now, I think we have had only about fifty delegates present at this meeting of the Board, and if the whole forty members which would constitute the Executive Council get together it will not be thought necessary to hold annual meetings for only ten more members; and, on the other hand, it seems to me that there is danger that in certain cases mischief might result. Let us suppose that it might happen, that in certain localities there might be local bodies, and certain men in those bodies who had axes of some kind or other to grind and who had sufficient influence in those bodies to get appointed to this Executive Council; then let us suppose that this Executive Council was appointed according to this programme, containing ten members at large and especially representing this body, and that three or four or even ten of those men managed to get themselves appointed and are very attentive to their duties, while the rest are not so attentive; they could entirely override the ten men elected from the body at large and introduce any wild scheme they pleased, and even keep the National Board of Trade out of session for any number of years. I admit that this is an extreme proposition, but is there any necessity to adopt this proposed change at the present time. We have no time to consider it carefully now, nor will all the results which might happen if it were adopted occur to us so that we are safe in considering it at the present time. But let it be printed and go on the programme for the next year, and all the constituent bodies will have time to make up their

minds about it. I will not conceal my present opinion that it will not pass, but that is merely an individual opinion. I only ask this, that we shall have time to decide upon it.

Mr. NOURSE: I think my colleague forgets that under the present Constitution there can be no meeting of the Board except by the call of the Executive Council, and it might be delayed, if the Executive Council as it is now constituted saw fit, for the next three or five years.

Mr. HENRY, of New York: I was just going to make that very point, that now with a small Executive Council they can keep the meetings of the Board off for five years if they choose, therefore I would like to have the Executive Council increased.

Mr. ROPES: My view is this, that when we elect ten men, whom we know and approve, we can count on their doing what we wish, but if ten or even five men can get in without any choice on our part, from different parts of the country, and devote themselves to the business of the Council it may put us completely at their mercy.

Mr. HENRY: All the scolding I have ever heard of the National Board of Trade is, that it is run by a little ring, and that a few men shape the matters to suit themselves. Now, in New York, we have five different bodies paying the expense of this Board. Two of those bodies, fortunately for them, have seats in the Executive Council, but there is no reason why the other three should not. There are many boards that have no representatives in the Council, as we all know, and sometimes I believe they have withdrawn because they thought they did not amount to anything in the National Board of Trade. I presume our friends from Scranton have noticed that they never had a vice-president or a delegate from their board in the Executive Council, and under the present organization I don't know that they ever will. These gentlemen that re-elect themselves year after year do not want any infringement on the old rule. It is all very well for you gentlemen that are in, but we that are out are the sore-heads, and we want to get in. I see my friend STRANAHAN smiling. I nominated him and we elected him. I was nominated but failed to get elected, because we could not have more than fourteen. I say that I am very much in favor of having more. I believe that we want more. I had a letter a while ago from Burlington, Ver-

mont, where they have a little board of trade, but they had been informed that our rules were so strict that they could not be admitted, having something less than the requisite number of fifty members. I would make this organization liberal enough to take in all the different trade bodies of the country. In this particular case they are an important body in themselves. They represent not only the city of Burlington, but they represent largely the interest of the State — the canal interest and the interest of Lake Champlain; and I would have been very glad to have seen them members of this Board of Trade. But I do not ask that; I do not ask that bodies that have less than fifty members have representatives in this Board, but I do ask that those who have complied with all the requirements should have representatives in the Executive Council; and more particularly so because, under the present organization, the Council could prevent these meetings, or not call them only after a term of years. I hope the resolution to adopt them at once will prevail.

Mr. STRANAHAN, of New York: I merely wish to say, sir, that, while my friend, Mr. HENRY, has stated what is very true, there are a good many truths that he might have stated that he has left out. I have no doubt, sir, that it would be wise to lay this matter over to another year. Undoubtedly there is a great deal of merit in the proposition, and when we come to understand it more fully we will adopt all that is good in it, and will wisely reject all that is not good. I hope, sir, we will have a vote upon it, and lay it over for another year.

Mr. WETHERILL, of Philadelphia: Just a word, sir. I think that the main feature and the chief good which would be produced by the adoption of the amendments to the Constitution as provided by the Committee is this, that we would make the Executive Council a more important and effective body. The Executive Council, as at present constituted, consisting of but fourteen members elected by us annually, will, I think, by the increase of a delegate from each constituent body, selected for the purpose, and charged with the duties of attending faithfully to every meeting of the Council, become more representative and efficient, and it will certainly make the meetings of the Executive Council very much more full and effective than they heretofore have been. Now, it is a very easy thing for us to meet and elect fourteen gentlemen for Vice-Presidents, and to charge them

with a certain duty; and what is that duty? It is to carry out our views and wishes, and to do it faithfully and effectually, and to do that, sir, they should attend every meeting of the Council, and there ought not only to be a quorum present at every meeting but the full fourteen should be there. Now, I ask any member of the Executive Council whether that has been the case for the last four or five years? Whether, when we adjourn the meetings of the Board, they do not consider their duty performed, and whether the council do not have to perform their duty with a bare quorum? Now, in my Board, if we elect a man to fulfill a certain duty we hold him responsible for it, and he comes directly in contact with us, and if he does not perform that duty he is held to account for his neglect. But, although it is not a very pleasant matter, I doubt very much whether any of our Vice-Presidents, who have heretofore neglected their duty have been called to their proper account, which I think such neglect, if it has occurred, would have merited at our hands. Now, as I understand it, we have not forty constituent bodies connected with the organization; I think, sir, we have only about twenty-three represented on this floor to-day. If we have twenty-three it will increase our Executive Council only to thirty-three and not to forty, as has been stated. I say in my place here, that I would just as leave trust a delegate selected by the constituent bodies themselves to carry out the duties which are imposed on the Council by the Board, as to leave it to any number of Vice-Presidents that you may select at large, and I do not think that the Boards of Trade, the constituent bodies, have axes to grind, and would select delegates for the purpose of grinding their particular axes. My notion, is, sir, that if we would select members of the Executive Council to represent the different Boards, that the axes which they would have to grind in Washington would be proper axes, and that they would attend to, and be faithful in, the performance of their duties. It would, I believe, give great efficiency to the Executive Council, and it would add greatly to the efficiency of this Board if we would pass this amendment; and the Executive Council in going to Washington would go in numbers representing not only our own body but the individual Boards of Trade themselves, and go with a power and an efficiency which I think the Executive Council, as at present constituted, does certainly lack. We cannot afford to wait a year to bring this about. Important measures will be presented to Congress within a year,

and we ought to be ready and fully equiped to meet every emergency, and it seems to me that by enlarging our Executive Council, and by making the members of it responsible to the constituent bodies themselves, by whom they are charged with their views, and to whom they must report, and from whom they will receive blame if they do not fulfill their duty, that we will add greatly to the efficiency of the Executive Council.

MR. BUCHANAN, of Trenton : As the mover of this resolution of postponement, perhaps a few words from me would not be out of place. I made this motion out of no hostility to the amendment, I do not know whether it is a good or bad one, I simply want to know whether it is good or not before I vote. If I am forced to vote now I shall vote against it, and I think there are others on the floor who are in the same position. Perhaps, if the matter is laid over until we can understand it fairly, we may be willing to vote for it heartily. It was for that purpose, only of satisfying myself as to its character, that I made that motion, and I think that a vote to lay it over would be dictated by no spirit of hostility to the amendment itself. I think that nothing would be lost by leaving this matter lay over for one year. I think there is some good in it, which may be lost if its friends press it to a vote at the present moment.

The PRESIDENT : The question is upon printing this report and placing it on the programme at the next meeting.

This motion was put and adopted, yeas 20, nays 10.

The PRESIDENT : The next proposition in order is number ten, from the Board of Trade of New York.

The Secretary read the proposition, as follows :

*Resolved*, That this Board commend to the consideration of the legislatures of the several States the desirability of a unification of all the laws of all the States relating to trade and commerce.

Mr. How, of Chicago : I move the adoption of this resolution.

The resolution was adopted.

The PRESIDENT : The next proposition relates to the uniform grading of grain, from the Produce Exchange, of New York.

The Secretary read the proposition, as follows :

WHEREAS, Experience of more than twenty years in the western cities has demonstrated that a system of bulking and grading grain of similar kind and quality is the most economical and expeditious manner of handling our crops of cereals, and

WHEREAS, The same general plan has been adopted at the seaport cities and is now in practical operation; therefore,

*Resolved*, That the best interests of the producers, merchants and exporters of grain require the adoption of uniform standards of quality in the principal markets of the country.

*Resolved*, That five Commissioners be appointed by the President of the National Board of Trade, for the purpose of carrying out the views expressed in the foregoing preamble and resolution.

Mr. HENRY, of New York: I move the adoption of the preamble and resolutions.

The preamble and resolutions were unanimously adopted.

The PRESIDENT: The next is a proposition relative to the Bankrupt Law from the Board of Trade of Scranton, and a similar one from the Board of Trade of Philadelphia.

Mr. HAYES, of Detroit: I move that the two be considered together.

Agreed to.

The Secretary read the propositions, as follows:

Bankrupt Law of the United States, submitted by the Board of Trade, Scranton. Action by the National Board of Trade favoring the repeal of the Bankrupt Act.

Bankrupt Law of the United States, submitted by the Board of Trade, Philadelphia. The consideration of the Bankrupt Law.

Mr. PRICE, of Scranton: The proposition, as it stands on the Official Programme, does not fully represent, by its language, the suggestion that we desired to present. The resolution our Board adopted was favoring the repeal of the Bankrupt Law as at present in operation. Our people do not wish to be understood to be in favor of withdrawing from the honest debtor or insolvent a means of recovering himself; but we do wish such an interpretation of the law that both parties, the debtor and the creditor, shall get some benefit from it; and inasmuch as the Philadelphia delegates have some very good resolutions to present on the part

of their Board of Trade, in which we fully concur, I will yield the floor to them.

**Mr. BUZBY, of Philadelphia:** The gentleman perhaps complements us unduly on the character of our propositions, but such as they are I propose to submit them to the Board in the shape of a resolution. They represent the sense of the Philadelphia Board of Trade, as last expressed on this topic. That there may be other improvements which they would like to see engrafted on the Bankrupt Law I have no doubt. I submit the following:

*Resolved*, That the Executive Council of this Board be instructed to use its influence with Congress to amend the act to establish a uniform system of bankruptcy throughout the United States, approved March 2, 1867, and the supplements thereto, so as to require that all judgment notes, bonds or other instruments conferring or authorizing an entry of judgment or other lien against personal property, shall be entered or recorded on the proper dockets of the county wherein the debtor resides, and where he does his principal business, at least four months prior to the filing of any petition in bankruptcy by or against him, as contemplated in the thirty-fifth (35) section of the said Bankrupt Act and the supplements thereto; and in default of such entry or record, the said debt or security therefor shall have no lien priority, preference or precedence over any other claim in bankruptcy. And further to amend, so as to require that all mortgages and other liens on realty, by way of preference, should take effect from date of record, and not from date of execution before taking preference of other claims in bankruptcy. And still further to ask for such legislation as will make the exemptions in favor of the bankrupt truly uniform throughout the country, by superseding the conflicting laws of the different States concerning exemptions in favor of insolvent debtors."

Now, sir, a very few words on this subject. I suppose it will be conceded that a bankrupt law is an indispensable necessity in a commercial country. We managed through many years to do without a general law in this country, because the bankrupt laws of the various States have stood in its place; but in a matter of this kind there should be a law that shall be uniform throughout the country, and enacted by the general government; so that the relative rights of debtors and creditors will be precisely the same in every part of the country. That is the great argument in favor of a bankrupt law as opposed to the insolvent laws of the different States. By a comparison of the various State laws, we find they take very different views as to the rights of debtors and creditors.

A law enacted by the United States, however, reaches every-

where and is alike in its operations in every part of the country. We have had national bankrupt laws from time to time and after they have wrought a considerable amount of ~~mis~~erief, simply because they were crude and perhaps hastily considered, they have been abolished just at the time when we had learned where the errors were and when we had received sufficient experience to know how to act. Then when there came again some time of distress we established a new law, and after having it for some little time we have abolished it in the same way. That has been our past experience. I may say briefly, however, that these resolutions, as we think, are just and comprehensive — they represent the sentiment of the Philadelphia Board of Trade, and I move their adoption.

**Mr. PRICE:** I wish to ask an addition to be made to the recommendation of the Philadelphia Board of Trade, and that is this:

*Resolved,* That the National Board of Trade consider that the end to be served by the operation of the bankrupt act will be more promptly attained and more satisfactorily adjusted by the payment of regular stipulated salaries instead of the present system of fees.

**Mr. BUCHANAN, of Trenton:** *Mr. President*, — I hold in my hand a preamble and resolutions, which I will read, as the basis of a few remarks I propose to make upon this subject:

WHEREAS, The bankrupt law in its present state is crude and complicated in its details, and expensive and tedious in its operation; and

WHEREAS, It is desirable to have throughout the whole country one uniform plan for the distribution of the assets of insolvent debtors; therefore,

*Resolved,* That we ask the Congress of the United States to so amend the bankrupt act as to secure a speedy and inexpensive distribution of the assets of insolvent debtors among their creditors, and at the same time to afford full protection to poor but honest traders temporarily embarrassed, but endeavoring in good faith to regain their financial standing; that in so amending the act the following points shall be kept in view:

*First* — To limit the causes of compulsory bankruptcy to those acts which show fraud on the part of the debtor, or an attempt on his part to prefer a creditor, or an attempt to remove his property beyond the control of the court.

*Second* — That when acts of bankruptcy of the character above set forth have been committed, the process for placing the debtor committing such acts in bankruptcy be made as cheap, simple and expeditious as possible.

*Third* — That no assignment made or attachment taken under any State law for the equal benefit of all the creditors be invalidated, except in cases where the debtor had previously made some fraudulent disposition of his property or preference of some creditor.

*Fourth*—That all securities taken and liens effected in good faith, for money loaned at the time, be protected; provided that such securities or liens be properly entered of record within a limited time afterward.

*Fifth*—That all securities taken or liens effected to secure a creditor shall be liable to be set aside within a certain period after they are entered of record, instead of the time of their date.

*Sixth*—That all exemptions be uniform.

*Resolved*, That we approve the proposition now before Congress providing for the appointment of Commissioners to take into consideration the subject of bankruptcy and to suggest a simplification of the present system.

Mr. President and gentlemen of the Board, we have in this Union thirty-eight States, and we were told at the banquet last night that our country is pregnant. It seems from the action in Congress within the past few days that the birth has been delayed, yet it will eventually come, and in the progress of years additional births will occur in our national family.

In each one of those States we have a separate and distinct system of laws for the collection of debts and for the collection and distribution of the assets of insolvent debtors. More than that, in almost every one of these States there are different systems obtaining in different portions of those States. In my own State, the little State of New Jersey (little as regards size but large as regards everything else), we have several different systems. Newark and Jersey City have their District Courts, an anomaly in my section—the rest of the State have Justices Courts, and then besides we have Common Pleas, Circuit and Supreme Courts—all for the collection of debts.

Here in New York you have your Marine Court (I have often wondered why it was so called), your Common Pleas, your Superior Court, with its general term and special terms, and I know not how many others—each one of them moving on in its separate and distinct course, for the collection, or rather, sometimes, I should say, for the non-collection of debts; and so, too, the courts for the administration of the estates of insolvent debtors are almost as various and diverse.

We have adopted a memorial addressed to the Legislature of different States, asking that they make the laws for these subjects as uniform as possible. I respectfully suggest to you, Mr. President and gentlemen, that it is a practical impossibility. The Constitutions of the States are different. Their statutes constituting courts are different. The ideas and traditions, of the different portions even, of the different States are dissimilar, and it is im-

possible to secure this uniformity through the action of the State Legislatures. We must have it, if we have it at all, by a National law. Our fathers saw this when they provided in the Constitution of the United States that Congress should have the right to establish a uniform system of bankruptcy. Congress exercised that right several times, and its power to do so is undoubted. A uniform system for the collection of debts is most desirable. As it is now, a New York merchant having a claim against a man in Arkansas collects it by one kind of process; if against a man in his own city he collects it by another process; if against a man in Westchester county he collects it perhaps by still another, and so on throughout every State and nearly every portion of every State, we find different systems. It is absolutely necessary that we have some uniform system, and that can only be secured by the legislative action of the United States government. And it is just as necessary to have a uniform system for the collection and distribution of the assets of insolvent debtors. We have such a system, to some extent, in the present bankrupt law. But that law needs much amendment to answer fully the purpose, and the character of some of the amendments needed are indicated in the resolutions I have read. The present bankrupt law is a conglomerate mass of heterogeneous incongruity. [Laughter.] The Hon. Thomas Jenckes was known as the father of the bankrupt law. He was the father of it only in one sense — the scissors father. He scissored some things out of the French insolvent laws; some things out of the excellent insolvent law of Massachusetts; and he scissored something out of the English bankrupt law, then he put all these things together without having time to give the matter that careful supervision which the subject needed, and the result was a law, excellent in some of its provisions and crude and contradictory in others.

Congress has attempted, several times, to amend it, but each time they have made it worse. Intending to cheapen its operations, they have made it more expensive. Intending to simplify it they have made it far more complicated and difficult to understand and execute. Here are some points which should be adopted in the amendment of the act, and I will consider them in their order. First, an insolvent or embarrassed debtor should be put into compulsory bankruptcy for those causes only which show fraudulent acts or intention on his part, or an effort to unlawfully prefer a creditor. I never would make mere inability to

pay debts — to meet commercial paper — an act of bankruptcy. I would not make a man a bankrupt — liable to have his business broken up, and to be branded as a bankrupt, merely because he is poor. But I would make it an act of bankruptcy for him to give his brother, father or other relative or friend, a mortgage upon his property for a fictitious debt. I would make it an act of bankruptcy for him to place his property in the hands of his wife. I would make it an act of bankruptcy for him to dispose of his property and refuse to apply the proceeds in payment of his debts. I would make it an act of bankruptcy on the part of a debtor, for a sharp, shrewd New York merchant to run out to Newark, and, by promise and entreaty, persuade a debtor there, whom he and others had trusted for goods, to give him a bond and warrant of attorney by which judgment may be entered up, levy made, and in six days the debtor's stock all swept off and the other creditors left to whistle for their claims. I would declare to be acts of bankruptcy anything and everything which shows a disposition on the part of the debtor, or rather an intention or attempt by him to prefer a creditor, a disposition or attempt to place his goods beyond the control or reach of the whole body of his creditors, and I would provide that where such acts have been committed, the means of placing the man committing them in compulsory bankruptcy, should be as easy, simple and inexpensive as possible. As the law now stands a man may have committed the most glaring fraud, he may have sold his goods and have the money in his pocket, have engaged his passage to Hamburg or Liverpool, or some other port, and he actually on board the steamer impudently shaking the money at you, before you can get an injunction upon him or an order of arrest, or a provisional warrant to seize his effects; before you can do this you must find out how much he owes, and how many creditors he has, and get one fourth of these creditors, representing one-third of the indebtedness, together, have them sign and swear to a lengthy petition to have him declared a bankrupt, and you must tack on to that petition a string of affidavits as long as the moral law, as to the creditors' claims and the acts of bankruptcy, and by that time your man is far beyond Sandy Hook, beyond the reach of the law, on his way to that country where extradition treaties continue not.

I say I would have the method of placing such a debtor in bankruptcy made as cheap and simple as possible, instead of the

cumbrous method now provided, devised by the attorneys of Jay Cooke & Co., and ratified by Congress. Then, in the further amendment of this law, I would say that no assignment made or attachment taken under any State law for the equal benefit of all the creditors of an embarrassed debtor should be set aside by subsequent bankruptcy proceedings, except in cases where the debtor had, previous to such assignment or attachment, made some fraudulent disposition of his property, or preference of some creditor. If a man makes an assignment of all his property to another for the equal benefit of all his creditors, then there is no use in placing him in bankruptcy. You have the same result and avoid double proceedings; or if he suffers an attachment to be taken against his property, under which all creditors can come in and receive their share of the proceeds, you have the same results as if the man were placed in bankruptcy. I would leave such proceedings undisturbed, except where the debtor had previously made a fraudulent disposition of his property, or a preference to some of his creditors, which could not be upset under the operations of that attachment or assignment under the State law. In such cases (within the exception) I would leave them liable to be annulled by proceedings in bankruptcy.

I would also provide for that difficulty under the present law, which the Philadelphia Board of Trade have brought before us so prominently in the pamphlet distributed upon our desks, arising out of the decision of the Supreme Court of the United States, that a creditor may take a confession of judgment from his debtor, keep it in his pocket two months, then enter up his judgment and have a lien valid in bankruptcy.

I do not think it a hardship, by any means, that securities taken and liens effected in good faith, for money actually loaned at the time, be protected, provided that such securities or liens be properly entered of record within a limited time afterward.

It often happens with a debtor temporarily embarrassed that a loan of money for a time would enable him to tide over his affairs, and go on prosperously; and it is to the interest of trade that it be put within his power to make such a loan, and to give a security therefor. It is due, however, to those who are extending credit to such a debtor that such security should be entered of record within a short time, or cease to be valid. And I would provide that all securities taken or liens effected to secure a debt

already contracted should be valid only from the day of record, and not from the day of execution. This is the amendment proposed by the Philadelphia Board of Trade, and I think it eminently proper and just. As the law stands now, it is the easiest thing in the world for one creditor to get a preference over others.

He gets from his debtor a bond and warrant of attorney for the confession of judgment, or a mortgage upon his real estate, or a conveyance of any kind of property, puts it in his pocket, keeps it there for two months, and then enters it of record; has his levy made, or forecloses his mortgage; and, as the law now stands, the bankruptcy law will not set the transaction aside, because more than two months has elapsed since the debtor had any connection with the getting or perfection of the lien.

I would have all creditors have an equal opportunity to secure their claims. I would not thus allow one creditor to get the start of the others. It is not fair to put a creditor at a disadvantage because he did not know that which it was impossible, from the circumstances of the case, for him to know. Make any creditor receiving a security enter it of record, where other creditors can learn of its existence, and then if they allow it to remain undisturbed for two months, and to ripen into a valid lien, they have only themselves to blame.

I would have, Mr. President, all exemptions uniform. I, myself, do not believe that portion of the bankrupt law which allows an exemption in addition to the exemption under the bankrupt law of an amount equal to the exemption under the laws of the State in which the proceeding is pending to be constitutional. The exemptions under the State law are not uniform, and to allow such exemption under the bankrupt law renders that law to that extent not a uniform law or system; and to establish a uniform system is the only power given to Congress in the provisions of the Constitution of the United States. Congress should declare in express terms what the exemptions should be, and those exemptions should apply to every State alike. There is no reason why a debtor living in New York should have an exemption of \$300 additional, and one living in New Jersey \$200, while one living in Texas gets \$5,000, and in some States it may be even more.

Congress should exercise its undoubted power and imperative duty and make the law in this respect uniform. The whole sys-

tem of bankruptcy proceedings should be made just as plain and simple as possible, and I believe that a great deal of the machinery of the bankrupt law could be dispensed with to the great advantage of debtors and creditors alike.

I am very much in favor of the proposition of the gentleman from Scranton, that all of these services be performed by officers paid by salaries and not by fees. The fee system is the most abominable system that ever crept into and cursed our system of jurisprudence. If you have not felt its effects in New York, I do not know how you can be made to feel anything.

We have it in our State, but we have kept it just as close in hand as we could. The United States Judge is already a salaried officer : I would have the Marshal and the Register the same—but it is impossible for us to go into all the details here.

I will not detain you longer, but will offer my preamble and my resolutions, being willing to add to them as an amendment the proposition of the gentleman from Scranton.

I offer them as a substitute for the resolution of the gentleman from Philadelphia simply because they go more into detail, and not because they are clothed in more elegant diction, and certainly not out of any want of respect for Philadelphia, because being her next door neighbor, we know her well, and knowing her well, must of course esteem her highly.

The PRESIDENT: Mr. BUCHANAN has closed his remarks by offering, as a substitute for the pending proposition and the amendment suggested by Mr. PRICE, from Scranton, the preamble and resolutions that he has just read, proposing to incorporate in them the amendment offered by Mr. PRICE.

Mr. GRUBB, of Philadelphia: *Mr. President*,—I think I am justified in saying that it is the unanimous opinion of the merchants of Philadelphia that the present National Bankrupt Law, as it now stands, should be repealed. In an experience of forty years I have never seen anything work better than a meeting of creditors. They come face to face with their debtor, to meet with him and have explained by him all of his affairs, before all of his creditors or their representatives ; and it has been the universal experience of myself, and I think of the great majority of those who have been accustomed to such arrangements, that the meetings of creditors has always devised the very best settlement that could be made.

Now, I fail to see in any of these propositions a recognition of this important fact. I fail to see in them any introduction of that conciliation and brotherhood which should exist among us in our calling. The present system of bankruptcy builds up walls for the benefit of lawyers, courts and officials, and all that sort of thing; therefore, we should devise something in the shape of a general bankrupt law that will come in after, and as a sequel to a meeting of creditors—in which a full, square and just statement can be made.

I should be willing to go for that. In general bankruptcy proceedings into whose hands do the assets go? It is the business of lawyers to keep the debtor apart from his creditor and to build up walls between them. I saw a letter published in a newspaper the other day from a lawyer to another attorney, urging him to settle a case amicably, he declined, saying, "Why, that won't do, it is not professional."

Mr. President, if some way could be devised by which a meeting of creditors could be made a precedent to proceeding in bankruptcy, then I should be willing to vote for such a law. The present law as it exists is a system of plunder, and very little is left, as a general rule, to those who are interested, either to creditor or debtor.

Mr. BUZBY, of Philadelphia: I would suggest, sir, that the one resolution offered by the Board of Trade of Philadelphia be passed upon, and then that we should proceed to the consideration of the points made by the gentleman from Trenton in his very admirable speech on the bankrupt law, and take up his suggestions and approve them. The effort of the Philadelphia Board of Trade has been to take a few distinct points and make suggestions regarding them. Sometimes if a matter is presented here, as before legislative bodies, with a great many items in it, delay is involved and a great deal of consideration is necessary. But here are some points presented by the Philadelphia Board of Trade that challenge a contradiction, and I think, sir, it would be well to pass upon them and then consider the proposition of the gentleman from Trenton.

Mr. BUCHANAN: I have no objection, Mr. President, to the resolutions of the Philadelphia Board of Trade being passed upon provided I then have the right to present my resolutions.

Mr. BUZBY: Then I make the motion that the consideration of the proposition of the gentleman from Trenton shall be taken up immediately after those from the Philadelphia Board of Trade shall have been acted upon.

The PRESIDENT: That suggestion being accepted, Mr. PRICE's proposition is before the Board as an amendment.

Mr. HENRY: I move the adoption of the amendment.

The vote was taken, and the amendment was unanimously agreed to.

The PRESIDENT: Now, gentlemen, the proposition comes up as amended by the adoption of the resolution as offered by Mr. PRICE. The question now is the resolution as offered by the Philadelphia Board of Trade, as it has been amended. It will be read.

The Secretary read the resolutions as follows:

*Resolved*, That the Executive Council of this Board be instructed to use its influence with Congress to amend the act to establish a uniform system of bankruptcy throughout the United States, approved March 2, 1867, and the supplements thereto, so as to require that all judgment notes, bonds or other instruments conferring or authorizing an entry of judgment or other lien against personal property, should be entered of record on the proper dockets of the county wherein the debtor resides, and where he does his principal business, at least four months prior to the filing of any petition in bankruptcy by or against him, as contemplated in the thirty-fifth (35) section of said Bankrupt act and the supplements thereto, and in default of such entry or record the said debt or security therefor shall have no lien, priority, preference, or precedence over any other claim in bankruptcy.

And further to amend so as to require that all mortgages and other liens on realty by way of preference shall take effect from date of record, and not from date of execution before taking precedence of other claims in bankruptcy.

And still further, to ask for such legislation as will make the exemptions in favor of the bankrupt truly uniform throughout the country by superseding the conflicting laws of the different States concerning exemptions in favor of insolvent debtors.

*Resolved*, That the National Board of Trade consider that the end to be served by the operation of the bankrupt act will be more promptly attained and more satisfactorily adjusted by the payment of regular stipulated salaries instead of by the present system of fees.

The resolutions were unanimously adopted.

The PRESIDENT: Now I believe that it is understood that we

proceed to the consideration of the resolutions offered by Mr. BUCHANAN, as independent resolutions. Those in favor of proceeding to their consideration will please say aye.

The motion was agreed to.

The PRESIDENT: The Board agrees to proceed with their consideration, and they are now before the body.

The Secretary read the resolutions. (See pages 194-195.)

The PRESIDENT: That proposition is now before the house.

The resolutions were unanimously adopted.

Mr. BUCHANAN: Before proceeding to other business, Mr. President, if it would be in order I would move that the Secretary be requested to dispatch a copy of those resolutions to the Speaker of the House of Representatives. I understand that a proposition to appoint a committee in regard to this question is now pending in the house and will be reported in all probability before gunpowder day.

The motion was agreed to.

The PRESIDENT: A communication of courtesy has been received, which will be read.

The Secretary read a communication from the postmaster of the city of New York, inviting the members of the Board to visit the new post office during their stay in the city.

The invitation was accepted with thanks.

The PRESIDENT: The next business in order is the proposition from the Board of Trade of Boston in relation to the subject of a revision of tariff.

The SECRETARY: Proposition number fourteen, as follows:

Revision of the tariff laws, submitted by the Board of Trade of Boston.

*Resolved*, That the existing confusion and irregularity in all branches of business and industrial pursuits, and the unsettled condition of markets, commercial values and financial undertakings, call loudly for a reform of our whole commercial and financial system, and especially for a thorough

revision of the tariff of duties on imports, made not in the interest of any class or classes of producers, manufacturers or merchants, but for the benefit of the whole people and the maintenance and augmentation of the national revenue; and that this demand, already urgent, will be far more imperative and irresistible when the resumption of specie payments shall have brought our commercial values into equilibrium with those of other nations.

*Resolved*, That we recommend to Congress the appointment of a Commission of intelligent, practical and thoroughly instructed persons, for the purpose of accomplishing this most important object.

Mr. CANDLER, of Boston: *Mr. President*, — These resolutions are so explicit that it seems to me and the Boston delegation that it is hardly worth while for us to take up the time of the Board in discussing them, unless other gentlemen desire to do so. The first resolution we think explains very clearly the object which the second is intended to carry out, and therefore our delegation will submit them for the National Board of Trade to take action upon, without any general debate, unless it is invited by other gentlemen. We propose a Commission, which would be of great service to the country, whatever may be the opinion of gentleman upon a general view of the question.

Mr. WETHERILL, of Philadelphia: I entirely endorse what has been said by the gentleman from Boston. I do not think it worth while for us to waste the time of the Board by going into any extended discussion of this subject. A certain reform is needed and can only be had through a Commission, and I therefore move the adoption of the resolutions.

Mr. BUCHANAN, of Trenton: *Mr. President*, — I would like to offer an amendment. After the word "pursuits," on the second line, strike out down to the word "for," in the fourth line, and insert the word "call" between "pursuits" and "for." That will make it simpler, as the clause for reform of our whole commercial and financial system is a pretty sweeping assertion, and the resolution will be made no less strong.

The PRESIDENT: The question will be upon striking out, as suggested by the gentleman from Trenton.

Mr. GRUBB, of Philadelphia: *Mr. President*, — I wish to ask my friends from Boston whether it is in their minds on this subject that the proposed Commission shall discuss the merits of protection and free trade, or whether it shall simply confine itself to the duty of remedying the incongruities that are alleged to

exist in our present tariff? If the matter is to be handed over to an intelligent body of gentlemen for the purpose of taking out the crooked things in the tariff, I can vote for it. But if the business is to be taken from Congress and the people and given in charge of a Commission (however intelligent the gentlemen composing that Commission may be), to decide for Congress and the people upon the merits of protection and free trade, I would vote against.

I will not by my vote imperil the great principle of protection. I wish to know, then, from the gentlemen from Boston whether there is anything like this intended by the resolution, or any idea leading to it, or whether they desire simply to arrange the conflicting portions which exist, it must be conceded, in parts of the present tariff of duties on imports.

**Mr. CANDLER:** *Mr. President*,— You will readily see that the gentleman from Philadelphia has asked me a question which it is very difficult to answer. I cannot tell him what the gentlemen that are appointed on the Commission may think or talk about—that is not possible.

I can simply submit the resolutions to you as they are written, and ask that an intelligent Commission shall be appointed. If the gentleman asks me to say what I hope they will do, I would say that I hope they will seek every avenue that is open to them for investigation—and will present the truth concerning their deliberations; further than that I cannot answer the gentleman.

**Mr. GRUBB:** *Mr. President*,— It is very clear, then, that we will have to meet some of that tunnel boring by the proposed Commission, as our friend CARRINGTON said at Richmond, “twenty-two miles of tunneling under the mountain.” I shall be compelled to vote against the resolutions.

**Mr. CANDLER:** The gentleman will give, of course, a conscientious vote, but he might as well try to stop the movements of the spheres as to prevent the American people from making a thorough investigation into all questions of importance. We intend to advocate progress, always, and if we expect the nation to progress we must ask for intelligent information in every way and wherever it can be found. I do not think I can answer the question any more explicitly than that, and I will leave it there.

We gentlemen from Boston accept the amendment offered by

the gentleman from Trenton, but I wish to say that the words which are stricken out—certainly the words in relation to our commercial system—have great significance. As I stated yesterday, I think that our treaties with foreign nations are very defective. When we have a treaty on account of which we can not export our manufactured goods into one of the most important and enlightened of civilized countries, there must be something very wrong in our treaties, and we need some reformation in that respect. I stated here yesterday that we cannot export our manufactured goods into France, and it was under that clause that we intended to reach a revision of the treaty. But, Mr. President, there will be sufficient work laid out for the Commission when it is appointed—on that account I accept the amendment offered by Mr. BUCHANAN.

The resolutions were read as amended, as follows :

*Resolved*, That the existing confusion and irregularity in all branches of business and industrial pursuits call for a thorough revision of the tariff of duties on imports, made, not in the interest of any class or classes of producers, manufacturers or merchants, but for the benefit of the whole people and the maintenance and augmentation of the national revenue; and that this demand, already urgent, will be far more imperative and irresistible when the resumption of specie payments shall have brought our commercial values into equilibrium with those of other nations.

*Resolved*, That we recommend to Congress the appointment of a Commission of intelligent, practical and thoroughly instructed persons, for the purpose of accomplishing this most important object.

The question was then put, and the resolutions as amended were adopted.

The PRESIDENT: The next proposition is one from the Board of Trade of Chicago, in reference to revenue reform.

The Secretary read the proposition, as follows :

XV, Revenue Reform, submitted by the Board of Trade of Chicago:

*Resolved*, That the Congress of the United States be earnestly requested to cause an early and entire revision of the whole revenue system of the country, especially those laws relating to internal revenue; and that all existing laws be so modified as to produce the largest possible revenue—be rendered easy of comprehension, and so adjusted as not to invite a system of corruption and debauchery among those who are called upon to pay the same, and to those officials charged with the supervision of its collection.

Mr. RANNEY, of Chicago: *Mr. President*, — As in the case of the previous resolution, we think that the resolution itself carries with it its meaning so clearly that at this late hour of the session it is unnecessary for us to state the case further than to submit the resolution to the Board. The frauds and unlawful acts upon the revenue are all so recent that I will only refer to one as an illustration, and that is what is called the crooked whisky cases. I would therefore simply move the adoption of the resolution.

Mr. HENRY, of New York: *Mr. President*, — If one or two more words were put in, I think that we would all like it as well or better. I move this amendment — that directly after the words “produce the largest possible revenue” that these words be added, “on the smallest list of articles.”

Now, sir, we are having stamps on checks, cosmetics, medicine, matches, perfumery — some six or eight different classes of stamps that bother forty millions of people and only bring in five millions of dollars of revenue annually. Every man that has made out a check will understand what I mean, and I hope that the words which I have mentioned will be inserted.

Mr. RANNEY: We accept the amendment.

Mr. WETHERILL: *Mr. President*, — It does seem to me that if there is any class of merchandise in the country that ought to pay a tax, it is this very one that the gentleman alludes to, that is, patent medicines and the like.

Mr. CANDLER, of Boston: *Mr. President*, — It seems to me that the idea is covered by the words “rendered easy of comprehension.”

Mr. HENRY: This patent medicine business in all its branches only gives us one million of dollars annually, the tax is more on matches than it is on the whole proprietary system.

Mr. HAYES, of Detroit: *Mr. President*, — We probably manufacture more matches than any other city in the United States, and I don’t think that our manufacturers care particularly to have the stamp tax taken off.

Mr. GRUBB: *Mr. President*, — I move that after the word “whole” the word “internal” be inserted, so that it will read, “whole internal revenue system of the country.”

Mr. ROPES, of Boston: *Mr. President*,—Would it not assist the clearness of the resolution if the word “internal” is inserted, as Mr. GRUBB proposes, to strike out the words “especially those laws relating to internal revenue.”

Mr. GRUBB: *Mr. President*,—I renew my motion, so that it will read, the “whole internal revenue system of the country,” and that the words “especially those laws relating to internal revenue,” be left out.

The resolutions as proposed to be amended were read.

The PRESIDENT: The amendment, as proposed by the gentleman from Philadelphia, is before the Board.

Mr. RANNEY: We accept the amendments as offered.

Mr. DORR, of Buffalo: *Mr. President*,—I move that the two words “and debauchery” be stricken out.

The President put the question on striking out the words, and it was carried, on a division.

Mr. ROPES: *Mr. President*,—I would like to make one other suggestion. Should it not read, “cause an early and entire revision of the whole internal-revenue system of the country to be made?” I move this correction, and that the words “to be made” be inserted.

The President put the question, and the words were ordered inserted.

The resolution as amended was then adopted, as follows:

*Resolved*, That the Congress of the United States be earnestly requested to cause an early and entire revision of the whole internal-revenue system of the country to be made, and that all existing laws be so modified as to produce the largest possible revenue on the smallest list of articles; be rendered easy of comprehension and so adjusted as not to invite a system of corruption among those who are called upon to pay the same, and to those officials charged with the supervision of its collection.

The PRESIDENT: The next proposition, in relation to amendments to the National Banking Act, from the Philadelphia Board of Trade, is now in order.

The Secretary read the proposition, as follows:

The Philadelphia Board of Trade submits for inquiry: What amendments, in the judgment of the National Board of Trade, should be made to the National Banking Act?

Mr. HOFFMAN, of Philadelphia: *Mr. President*,—I rise to move that the proposition be referred to the Executive Council for consideration.

The motion was agreed to.

The PRESIDENT: The next proposition is from the New York Board of Trade, in relation to political relations of commercial men.

The Secretary read the proposition, as follows:

Political Relations of Commercial Men: submitted by the Board of Trade of New York.

The consideration of the proper relationship of commerce and commercial men to the politics of the country.

Mr. HOFFMAN, of Philadelphia: *Mr. President*,—As there does not seem to be any gentlemen present to speak upon that proposition, I would move the indefinite postponement of it. I do not think it is the business of this body to meddle with politics.

Mr. BUCHANAN, of Trenton: *Mr. President*,—I am rather opposed to that motion, because it would seem as if the subject was not worthy of the consideration of the Board. Now, I believe that it is the business of commercial men to attend the primary and nomination conventions and the polls, and identify themselves as closely with the politics of the country as it is possible for them to do, and let us put that on record. There can be no more important question for us to consider than the political one. Let the honest commercial man lend his weight and his influence in purifying the political parties of the country.

Mr. JONES, of Boston: *Mr. President*,—I agree with the gentleman from New Jersey. I think the question ought to be referred.

Mr. HOFFMAN: I insist upon my motion to indefinitely postpone this proposition.

Mr. HENRY, of New York: *Mr. President*,—I hope it will be

referred to the Executive Council out of respect to the board who sent it here, and to the delegates from that board who are not now present.

Mr. WETHERILL, of Philadelphia: I think not, sir, because the Executive Council has had that subject under consideration before, and they have given us a very able report upon it. It was a very able report that they made, and very much to the point. We have accepted that report as our views of the case, and I do not think we need now ask the Executive Council to go over the ground again. I think we had better postpone it indefinitely.

The PRESIDENT: The motion is to indefinitely postpone.

The question was put and the motion adopted.

The PRESIDENT: Propositions eighteen and nineteen having been acted upon, the next in order is one in regard to the shipping interest.

The Secretary then read the proposition, as follows:

No. XX, the Shipping Interest, submitted by the Board of Trade of Philadelphia:

"The Philadelphia Board of Trade proposes to the National Board of Trade the propriety of considering the best means for the re-establishment of our commercial marine."

Mr. WETHERILL, of Philadelphia: *Mr. President*,—I move that that proposition be referred to the Executive Council.

Mr. Joy, of Newark: *Mr. President*,—I would like to ask if it is within the province of a constituent body to place on the programme a mere sentiment for the deliberations of the National Board of Trade. We have had several sentiments put down here with no proposed expression attached, and consequently we come here without having prepared ourselves to discuss any particular view of those subjects, and now we find that there is no proposition presented for our consideration. Is there any way of our giving expression as to what we think should be put down in the programme? I put that question in a friendly way, and for information.

Mr. WETHERILL: If he will allow me, I shall be very happy to give the gentleman what information I can in relation

to this proposition by the Board of Trade of Philadelphia. Our idea was that these two questions—the National Banking Act, and the Shipping Interests—should be considered by the Executive Council, and that they should be so referred, and perhaps reported upon by the Council in their next report. That in the meantime the Council should get all the information they can in regard to them; and that when we do act upon them—perhaps next year, as there does not seem to be any haste about it—we would then be able to act upon them intelligently, and in the light of such information or suggestions as the Council may present. In that way the shipping interests occupied the attention of the Board two or three years ago, and it seems that it has since slept. It is a very important matter, but one that I think will keep for another year, and for that reason I ask that it be referred to the Executive Council.

Mr. JOY: That does not meet the question. Next year we shall be as ignorant in regard to the matter as we are to-day. I contend, as a delegate, that when my attention is called by the programme to the shipping interests of the country, that I ought to know what kind of a proposition we are expected to consider. I think, that as the result of my acquaintance with our discussions, that the trouble with our proceedings and the reasons why they have no more weight, is because we are not prepared to discuss them when we get here. I will therefore suggest that we ought to say it is expected that when boards of trade present propositions for the consideration of the National Board, that they be in the nature of an affirmative proposition.

Mr. CANDLER, of Boston: *Mr. President*,—I object to the sentiment which the gentleman has expressed. I believe that when you invite the constituent bodies, the Boards of Trade of the United States, to send their delegates to a convention of this Board, you should allow them a good deal of liberty and freedom, and I think that if the Philadelphia Board of Trade wishes to present a proposition, such as is presented here, with the view that some one may desire to debate it, and if they do not debate it, it may be referred to the Executive Council, it is perfectly proper, and it does not at all imply that there are no gentlemen on this floor that are qualified to discuss it, and are not informed in regard to it. Now, Mr. President, we have had it thrown out here a number of times as to the influence of the National Board

of Trade, and some members have expressed their doubts in regard to it. Now, sir, as one of the delegates, I wish to record my own opinion on that subject. I believe to-day that there is no association composed of private individuals that has more influence than the National Board of Trade, and when we have it reported that some men have no faith in it, let it be also reported that some men have faith in it. I say that just so long as earnest men meet together to discuss honestly and intelligently the great questions of commerce, the different Boards of Trade of the different parts of the country will wish to become members of the association, and that if any do temporarily withdraw they will be glad enough to come back. Those are my views of the subject.

*Mr. Joy:* *Mr. President*,—I am not willing to let this matter drop just here. I think the remarks of the last speaker do not bear at all on the question I asked in regard to the proposition before us. I wish to place on record the declaration that the gentleman cannot exceed me in his zeal in behalf of the efficiency and character of the National Board of Trade. I speak for myself and for the body I represent, and we have shown it always by our acts and constant co-operation with the National Board; and while we may have but few topics to present, we are always here according to our numerical strength, and give careful attention to our duties; and one of our duties is to know what is to take up our time, and therefore it was that I asked the question I did. It was not because I wished to be captious, but merely to bring out an inquiry which I thought might just as well be made now as at any other time. If a local Board, by our rules, can put upon our programme anything they may choose, why, sir, the Board I represent can cover our entire programme with propositions that are constantly coming up. But we tell our members that unless they can fully sustain their positions or propositions so as to take hold of the minds of the members here, they had better keep their views at home, and not take up the time of this body. And now, sir, I wish to disclaim any intention to cast any reflection upon any Board of Trade that is represented here.

The PRESIDENT: The question before the Board now is on the reference of the proposition to the Executive Council.

The motion was put, and the resolution to refer was agreed to.

Mr. STEVENS, of New York: *Mr. President*,—I ask unanimous consent to introduce a proposition that was unanimously adopted in 1874, and which seems to me to be germane to the question just disposed of. It is as follows:

*Resolved*, That the National Board of Trade respectfully urge upon Congress to establish an international commission to which the governments of all the Central and South American States shall be invited to send delegates, to consider by what means commercial intercourse between them and the United States may be best fostered and increased, and their markets opened to American products.

The PRESIDENT: The gentleman from New York asks unanimous leave to introduce at this time the resolution he has read.

On motion, leave was granted to offer the resolution at once.

Mr. STEVENS: I would say, Mr. President, in support of this resolution, that the extent of our trade with the South and Central American States is very little known. It is nearly one hundred and fifty millions of dollars a year. We take their products but do not send them one-fifth of what they import and consume. It seems as though this state of things should be changed and a consultation should be had. As to the best manner of effecting that change I do not quite know. I am one of those who have always been opposed to subsidies in every form by the Government, but it seems to me that if we ever wish to get hold of the trade of the South American States we must adopt the measures that are adopted by other nations with regard to it. I do not believe that any subsidy is proper to be allowed on lines crossing the Atlantic ocean, because I do not believe that a single vessel less will float upon it because we do not choose to so establish lines. I think that the interest of Europe, in its commerce, is far greater to have communication with this country than it is to our interest to have communication with them, because we are a nation that produces, while they are nations that consume. But with regard to the South American States it is quite different. I would call the attention of the members for one moment to the manner in which the Cunard line acquired their power over the South American trade. When they were first subsidized, there was a monthly line, with a semi-monthly line to nearer points of landing. When the subsidy was continued, the monthly line became semi-monthly,

and the semi-monthly became weekly; and still another line was established connecting with new points, so each subsidy established an additional line. They have now established their relations so firmly that I believe no subsidy is required. Now, if we wish to get control over the commerce of the South American States, we can do it by one of two ways. We must either have a telegraph communication by which an agent there may have the first information, or we must establish steamer lines ourselves. Whether it is best to subsidize the steamship companies or the telegraph I am not now prepared to say. But one or the other we must do, or we must yield to others the markets of the South and Central American States for their commerce. In other words if we wish to persuade them to take our products it must be done in that way; and on this point I am very sure that the West and the East are in accord. I remember that Mr. Webster once said of the West that in the Mississippi valley they could feed one hundred millions of people, and that every starving man in the world could be supplied by her people. I think the West will join with us and use their influence in order to send their products to the South American States, which are following our example and looking towards becoming great republics like our own.

Mr. WETHERILL, of Philadelphia: *Mr. President*,—I merely rise to say that in this centennial year of ours I hope we will have no more of subsidy in any way or shape, and therefore I would like a proviso to that resolution, that no subsidy question either to a steamship line or to a telegraph company shall enter into the consideration of that proposition. I think, sir, that we should be very careful how we vote for a resolution which would imply that its object could only be carried out in one way, and that by the granting of a subsidy. Now I am clearly of the opinion that any enterprise which requires a subsidy from the government of the United States, should be looked at with caution, and I doubt whether we should advocate any enterprise which requires any help outside of individual capital. If there is any advantage or profit in it, with money as plenty as it is to-day, individual capital can be collected in a sufficient amount to carry it out. If this proposition does not depend on subsidy I am in favor of it, but if it does I must vote against it.

MR. GRUBB, of Philadelphia: *Mr. President*,—I should be

glad to see this resolution of Mr. Stevens adopted in its integrity without any qualification, even if it is only intended to be a compliment to Dom Pedro, the capable and intelligent ruler of Brazil.

Mr. WETHERILL: I will withdraw my objections.

The resolution was again read, and it was unanimously adopted.

The PRESIDENT: The next proposition in order is in regard to Pilotage Laws.

The Secretary read the proposition, as follows:

XI, Pilotage Laws, submitted by the Board of Trade of Boston:

"*Resolved*, That Congress is earnestly requested to enact, during its present session, the bill reported by the Committee on Commerce of the House of Representatives, providing for the abolition of compulsory pilotage and the payment of compulsory pilotage fees, so far as all vessels engaged in the coastwise trade of the United States are concerned."

Mr. CANDLER, of Boston: *Mr. President*,—I move the adoption of the resolution. The Board are probably aware that under an article of the Constitution — Article I, Section 8 — Congress is authorized to regulate commerce between the States. The different States in the Union have distinct laws in regard to pilotage; for instance, the State of Maine has free pilotage, I think. The State of Massachusetts has enacted a law requiring a certain number of pilot boats to have a specified compensation, and an obligatory clause which forbids any vessel coming in, either registered or unknown, without taking a pilot or paying at least half pilotage fees. In New York, you gentlemen are aware that, in going through Hell Gate, vessels have to comply with certain conditions, and at your other avenues of approach there are other complications. It is unnecessary to take the time of the Board further than to say that the laws of the different States differ widely. The bill referred to will perhaps pass through Congress; it is now in the hands of the Committee on Commerce, just where it requires a little aiding. It allows the owners of small vessels to sail their vessels at the smallest possible expense and with the least incumbrance. This is a very important question, because the small vessels are the transporters of the necessities of life, coal and food.

The question of transportation with us in the United States is certainly one of the most important if not the most important question to the whole people. Therefore it is well for us to have the greatest possible simplicity, and to cultivate economy in every respect, where not only the rights of others are not interfered with, and where the National Government does not interfere with the rights of the States. I hope, Mr. President, that this resolution will pass. I think it is an endorsement that we ought to give to the Committee on Commerce, and try to influence its early passage.

Mr. WINSOR, of Philadelphia: *Mr. President*,—I cannot entirely agree with the gentleman from Boston in relation to this proposition. If this was a question affecting only the interest of the owner of the vessel, I would at once assent to it. He has a perfect right to risk his own property, if he wishes to; but there are other parties in interest here—there are the lives of the crew and passengers on shipboard, and the cargo. Now, if this law is passed releasing all coastwise vessels from compulsory pilotage, the vessel may take no pilot, and as the captain may be entirely incompetent, the lives of the parties on board—the passengers and the crew—may be imperiled. We have no means of knowing whether that captain is competent to pilot his vessel or not. I am perfectly willing to allow free pilotage, not only for coastwise vessels, but for vessels under register, provided the captain shows that he is competent to perform that service. But simply because the owner of a vessel does not want to pay pilotage dues is no reason why the lives of parties who have no knowledge of it should be imperiled or that the owner of the property on board of the vessel, who has no opportunity of ascertaining the competency of its master, should be subject to the risk and possible loss of his goods. The English have lately, as I understand, released vessels from compulsory pilotage by the simple provision that any vessel may be exempted from compulsory pilotage, whether registered or not, if the captain produces a license showing that he has been examined by the proper authorities, and that he is perfectly competent to pilot his own vessel. I do not think the owner of a vessel should have it in his power to put the lives of other people and the property of other people in peril, as he may do if it is in his discretion. I want to say, further, that there is a growing disposition everywhere to make free pilotage—to release people from all restrictions. The pilot-

age laws are evidently made for the protection of the ships and for the safety of the lives and property on board. Before there were any laws in regard to it free pilotage had become an intolerable evil. A ship coming to a port of which the captain had no knowledge or but little knowledge, would want a pilot to assist him into the harbor, and observing fishing boats riding off the harbor, he would ask for assistance to get into port; some one of the fishermen, claiming that he knew the waters there, would undertake to pilot that ship, and in many cases it was found the man was incompetent and knew nothing about it, and in consequence the ship was imperiled and sometimes lost through his ignorance; and where several ships were off the port and there was only one pilot there, he had the shipmasters at his mercy. If the night was close at hand or a storm was coming up, he could exact a very large sum for his services, so that these laws became necessary for the protection of the ships and of the lives and property on board, and not for the benefit of the pilot.

It was found very soon that there must be compulsory laws on pilotage in order to protect and render the system efficient, and the first shipping act of which we have any knowledge had this provision in it: that whenever any person undertook to pilot a ship into port, and the ship miscarried through his ignorance, that he should pay any damage that might result, and if he was unable to pay that damage he should be beheaded, so that he could do no more harm in this world. Certainly men would not undertake to perform any task with that penalty before them in case of failure; but it was found very soon that they must make better laws than that, and in our laws it is provided that no man can pilot vessels into our ports unless he has served an apprenticeship of from five to seven years in different ports; and then, by presenting themselves to the proper authorities and showing that they are properly qualified to perform this service, they can get a license; and the laws go further, and require that these pilots shall go on board any ship which is off the harbor, no matter what the weather may be, or whether there is any contagious disease on board; and further, that he shall not, in any case, charge more than certain sums, which are fixed by law, as fees. It was soon found that something was needed for the protection of the men who engage in this service, under those onerous conditions; therefore compulsory pilotage was established — that is, that a ship coming into port should take a pilot; or, in

case of refusing, should pay half pilotage. Now, it is proposed to abolish the compulsory part of these laws—the part compulsory on ship owners, but to leave all the compulsory provisions on the pilots in full force; and there is danger that you will not have a competent or sufficient pilot force, because you must have a pilot force at each of our large ports equal to the maximum demand there, consequently these pilots a great part of the time are idle. In order to keep their number up to the maximum point they must have it much larger than is usually necessary. So we find that our pilots do not grow rich; they are, for the most part, poor men. Now, I think that obliging a ship to take a pilot, if the captain is fully competent to pilot his own ship, is a hardship; but I claim that he must show that he is competent, and I cannot see any better way to do that than for the captain to have a license, showing that he is competent to pilot his own ship into the port to which he comes; and let it be provided that any man frequenting any one port or running in one trade can get a pilot's license, provided he is competent to perform the service, for a small sum; and he should not have it if he was not competent. I want to repeat again that this is not simply a question between the owners of the vessel and the pilot. There are other parties in interest. The owner may know himself that his captain is fully competent to perform that service, but the crew and passengers cannot have that knowledge, and the shipper of the cargo cannot have that knowledge, and the insurer of the cargo is also a party in interest. Now, the law ought to protect parties who have no means of informing themselves; and I, myself, can hardly assent to the abolition of our compulsory pilotage system, except under such conditions as I have named, and I believe that is the present English system. I do not want to take too much time, but I will refer to some other matters in relation to pilotage, which are of interest. Our laws on the pilotage service are under the control of the States; as I believe, very properly; they are borrowed from the English laws. Now, to this day, the pilotage service of Great Britain is under the control, primarily, of certain corporations. There is the Cinque Porte, five ports, which is a very old corporation, dating, as the French name shows, from the time of the Norman conquest. Then there is Trinity House, which has the control of certain other ports, and there is one at Liverpool. Those corporations are all very old. They administer and frame the pilotage laws.

They are subject, however, at this time to the supervision of the Board of Trade, which is a department of the government; and there is an appeal to the Board of Trade from the decisions of these associations. I think there is a good reason why the English, down to this time, find that their pilotage system is better in that state. It is that the pilotage service at the different ports differs greatly.

There are certain ports on our coast where the vessels run from the entrances through to the wharves in about half an hour. There are others like Philadelphia, where the distance is over one hundred miles indirect navigation from the mouth of the river to the city; and hence, the pilotage laws, which may be very proper at one port, are not at all proper at a port where the conditions are very different. Besides, these local authorities which are on the spot, are better qualified, have better means of knowing the character of the pilots of that port, who are residents there, than government officers; and I should be very sorry to see the whole pilotage system of the United States put into the hands of the general government.

Our Congress has passed three acts in relation to pilots. The first was in 1798, in which it was declared that the pilot service should remain under the laws of the respective States, and such laws as they might make therefor, until further action by the Congress of the United States. That was leaving the whole matter where it was, in the hands of the colonies. Then the second law was to this effect: that wherever two States are divided by navigable waters, like New Jersey and New York, that a pilot licensed in either of those States should have the right to perform services for all ports on those waters; this provision was because of a conflict of authority between the States. The third law, which was passed only about ten years ago, is to prevent discriminations at any port. The rules and regulations shall apply to all vessels. They shall not discriminate in favor of vessels belonging to or owned at any particular port. A very proper law. Congress has passed no other laws relating to pilotage than those, and I hold that Congress ought to confine itself to the prevention of evils only, leaving the pilot service in the hands of the States, where it can be best provided for. There is a general uniformity in the State laws, but the rules of pilotage are hardly the same in any two ports in the United States, because the distances differ and the difficulties of the service differ.

Some of the States have abolished compulsory pilotage altogether. I do not think that we ought to go to Congress now, and ask them to abolish compulsory pilotage throughout the United States; and I believe that if it is done it ought to be done only on the conditions which I have named—that the captain is to show by legal authority that he is qualified to perform the service which he undertakes to perform, and should not be allowed to perform it, or to attempt to perform it, otherwise. For these reasons I shall vote against this proposition as it now stands.

**Mr. CANDLER:** This is a question of very great interest to some of the delegates here among us. I listened with very great interest and very great respect, as every one does, and was almost inclined to suspend my own judgment in deference to Mr. WINSOR'S opinion, but I would like to hear from Maine and some other places which are represented here.

**Mr. HERSEY, of Portland:** *Mr. President*,—I will not at this late hour detain you long with what I have to say on this subject. The Bill referred to in this resolution was introduced into the House of Representatives I think, by Mr. Ward, of New York, and in my opinion, it is eminently a proper measure. This tax of pilotage upon our shipping is a very severe one. The shipping interests of this country are suffering; they need all the help they can get, especially when, as under the present depression, every little item of expense needs to be watched. The shipping interests of the country require all the attention we can give it and if anything under heaven needs to be uniform it is the laws regulating pilotage. Our coasting vessels are generally owned by poor men, many of whom have their all in them. The commander of the vessel is frequently a large owner, himself, in the vessel he commands, and ordinarily there is no insurance on the vessel, because the owners put a man in command in whom they have every confidence. If he arrives at New York, for instance, he refuses to take a pilot, because the owners feel that their ship is safer in the hands of the commander and the first officer than in the hands of the pilots which are furnished here. And, sir, statistics show that there are more losses of vessels in charge of the regularly authorized pilots than of those piloted by their own commanders. If I want a captain or mate where do I go but to one of these coasters. There I can get men who were

put in these coasting vessels when they were boys, and have been brought up in them, and when they take command of a vessel they will find no pilot at any port, to which they are likely to go, that is as competent to take their vessel into port as they are themselves. And I would ask the gentleman from Philadelphia, whom I respect very much and whose views I also respect, if a vessel is not safer in going into the port of New York or Philadelphia, under enrollment, when she is not required to take these pilots than she would be if she was required to take them. I hope, Mr. President, that we shall have these restrictions on our vessels taken off for they have suffered too much and too long already from it. Then, again, another point is the uncertainty in regard to charges at different ports. You own a coasting vessel and a charter is offered for one of the Southern ports. You don't know what the charges are there, or what you may have to pay, and consequently you do not know what to name for a charter.

What we want is uniform laws at all ports throughout the United States on all these points, and then we can work understandingly. Mr. President, I will not detain you here longer, but I do trust that the good sense of the business men—and all here are business men—will use their influence to wipe out this iniquitous law.

**Mr. CANDLER:** I am very sorry to take a moment of time, but the question does not stand exactly, it seems to me, before the minds of the meeting as we, who favor the change in the pilotage system, would like to have it. It has been presented so that on the one side it seemed to be a question of humanity, against, on the other side, a question of profit to the men that own or sail our ships. It seems to me that it is the impression that we are advocating a policy that disregards the safety of human life, and leaves the transportation of passengers to irresponsible parties.

Now, there is no information that we get that is worth so much as that which we get from experience. The facts in regard to the coastwise trade are that the vessels generally sail with great safety, and they take very few passengers. The question of non-compulsory pilotage has been tested and found to work well. I have before me a report of the Committee on Commerce of the House of Representatives, in which it says the particular, in fact the only, argument upon which the opponents of any change in

the present system, or want of system, rely, is that the pilot organizations, which at present exist at the principal ports, cannot be maintained in a state of efficiency unless the compulsory payment of fees is continued; that there would not be sufficient inducement for trained pilots to hold themselves in readiness for service when called upon, and that, as a consequence, those vessels which require the services of a pilot could not depend upon having their requirements met, and navigation would be attended with greater risk to life and property than it is at present. But it has been shown by the experience at New York during the period between 1845 and 1853, when vessels entering by the way of Sandy Hook were not subjected to any regulations concerning the employment of pilots, that the compulsory system is not needed to secure efficiency in the service. The experience on the coast of Maine, the most dangerous on the Atlantic seaboard, has also demonstrated the fact that even in the less frequented ports it is not necessary to tax vessels which do not require pilots, in order to maintain an organization for those who do require them.

Again, in England the non-compulsory system has been adopted in one of the most dangerous places on the coast, and in a report on merchant shipping by a select committee of Parliament in 1860 the following statement is made: "It appears that in the pilotage district of Newcastle, where the voluntary system prevails, and where the navigation is difficult and at times dangerous, no inconvenience results from the absence of any legal compulsion to employ a pilot. Neither is the demand for, nor supply of, duly licensed pilots in any way diminished by the practice which prevails; on the contrary, the supply is much greater than it is at any other place, where pilotage is compulsory."

There is a fact in regard to compulsory pilotage which it is well enough, perhaps, for us to try and put before you. For instance, at Hell Gate a great subject of complaint is the exactation of half-pilotage, which comes very hard upon the poor men that sail small vessels. It is stated by those who are familiar with the matter that at least seven-eighths of the vessels which go through Hell Gate, and which are subject to charges for pilotage, are towed by steam tugs. The services of these special pilots are therefore wholly unnecessary and uncalled for, as far as the vessels towed by tugs are concerned. A tug will take five or six

or seven vessels, and in most cases a boy will come off in a little boat and demand half pilotage from these poor fellows, who are perfectly able to pilot their ship themselves. The shipping interest of the United States is burdened down with this grieved enactment of compulsory pilotage.

One witness before the House of Representatives committee made a statement which shows the general principle, and in commercial matters you must, it seems to me, take them in a general way; if in an exceptional case an incompetent master risks the lives of those on board, it is no reason why you should legislate for that particular case. The statement I alluded to is this: the witness represented twenty-three vessels, which made about seven hundred passages in the course of the year; they had never taken a pilot, and had never yet sustained damages to the extent of one hundred dollars. That shows the efficiency of our coastwise marine. If you should have any intimacy with them you will find that as a class not only self-interest leads them to be particular, but their competency and standing come from experience.

It was stated before the committee that the average capacity of vessels engaged in the coastwise trade is about three hundred and fifty tons. On that basis the charges for pilotage would be from \$20 to \$45 each time a vessel enters or leaves a harbor. It is a tax which, in the present depressed condition of the shipping interest, bears heavily upon a class of people who are specially deserving of consideration and encouragement; and it is sufficient in many cases to change the adventure from one furnishing a moderate return on the capital invested to one in which there is positive loss. Two statements of actual voyages by coasting vessels are appended, showing the amount paid for port charges and pilot-fees. In the case of the schooner E. T. Cotttingham, with a cargo of coal from Philadelphia to Savannah, and a cargo of lumber from Jacksonville to Baltimore, the pilot-fees amounting to eight and two-thirds per cent., and all the port charges to about twenty-eight per cent. of the amount received by the owners and captain respectively. On that voyage the captain lost \$100 over and above his share of the freight.

Now, Mr. President, the question is fairly before us, whether we can and should burden commerce on the coasting trade, in a manner that they say they cannot bear, for the purpose of meeting an extreme contingency. Now, when you speak of coastwise vessels you want to take into consideration another fact —

we must take things just as they are; it is this: there are very few coastwise vessels that carry passengers; there are usually very few on board them; and there will not be a steamer, as you will find, that does take passengers but that self-interest will make the captain of that steamer very careful, as he desires to have a good reputation.

The Cunard line of steamers always sail across the ocean crowded with passengers; and why? Because they have the reputation of never having lost a passenger; and the same influence works throughout all other vessels. It is self-interest; and I put it as a proposition not to be disputed, that the greatest safety is found in this self-interest.

In conclusion, Mr. President, I will say that if this compulsory pilotage should be done away with, I think it will be found that the loss of life resulting from it will be very small.

Mr. HINCKEN, of New York: The pilots of this port, by the way of Sandy Hook, are about one hundred and forty in number, licensed by this State, and some thirty licensed by the State of New Jersey; but they are, by acts of our legislature, debarred from charging any fees for pilotage on coastwise vessels that enter or leave by way of Sandy Hook. The pilots themselves consented to the passing of this bill. The passage of the bill now before Congress would be only carrying out what the law of the State of New York has already done in regard to them. The Hell Gate pilots, where they have a very large control of political influence, still adhere to compulsory pilotage, although, as has been stated, and as we saw the other day, one tug may tow eight of these schooners. I think that the doing away of that compulsory clause will not endanger life, ship or cargo, because the very law which says you must take a pilot says you may omit it by paying half the fees—pay him half and you need not take him. Therefore I say that humanity, if you take a humane view of the case, as my friend from Philadelphia did, will not, I think, weigh a great deal in the matter. We had these compulsory features taken off from the Hell Gate pilots a few years ago, but the merchants of New York did not follow the matter up, and the next season, or the season after, the law was re-enacted, and we have not been able to get it off since. If the law says, as it does, if you do not want a pilot you may pay him half his price and go on without him, it does not appear to involve a very great

risk of life or property to do without him. We know very well that it has been reported by the English commission sent to examine this very subject in the English ports, that the percentage of loss in the ports where pilotage was not compulsory was smaller than in those ports where it was. There was a large volume of evidence on this very subject, taken by the commission of Parliament, published; a volume of some six or seven hundred pages, which, I presume, the gentlemen of the Board may have seen; and I recollect that at the time we were urging the reduction of pilotage at Albany we made use of this report against any law compelling us to take pilots and pay these enormous fees. Therefore I say to our Boston friends, this subject has been pretty thoroughly understood around New York, but our efforts have been sufficient to remove the Hell Gate pilots.

Mr. WINSOR: The resolution before this Board proposes that Congress shall pass a law abolishing compulsory pilotage all over the United States. For a number of years, at Philadelphia, only those vessels coming in, and not those going out, have been subject to compulsory pilotage, because a vessel may come to port in bad weather, but she goes out in fair weather. I am opposed to having this matter go into the control of Congress. I believe the whole thing would be worse than it is now. Those of us who think compulsory pilotage wrong at the ports where we live, can use our own efforts to get them changed for the better, and it is our own fault, the fault of the business men of the different cities, if they are not better. I believe it would be very bad policy for us to put this thing under the control of Congress, when, as I said before, different ports differ so much that you can hardly subject them with propriety to the same code of laws. There is no difficulty in having these matters properly regulated at any port. The port of Boston may regulate its own pilotage now; but I think you will find out before long that we are going too far in exempting vessels from pilotage under our State laws. My objection is to having Congress pass a law exempting all coastwise vessels throughout the United States from the operation of our pilotage laws. The gentleman from Boston says the coastwise vessels are small, but vessels trading between Boston and New Orleans are not small, and they are coastwise vessels; and I cannot see why a captain who is competent to pilot his own ship, if he happens to be under an

enrollment, is not capable of piloting that same ship if she is under a register. If he is capable of performing the service for the coastwise vessel which he commands, whenever that vessel takes a freight to the West Indies, he is just as capable of piloting her. I am in favor of releasing every vessel from compulsory pilotage, provided it is shown that there is somebody on that vessel who is competent to perform the proper services.

The resolution was again read.

The President put the question on the adoption of the resolution, and it was lost on a division—yeas 18; nays 11.

The PRESIDENT: The resolution is not agreed to, not having received a two-thirds vote.

Mr. GRUBB, of Philadelphia: Is a resolution in order, sir?

The PRESIDENT: Not unless the rules should be suspended.

Mr. HENRY, of New York: I am requested to move a suspension of the rules to allow Mr. GRUBB to submit a resolution.

The PRESIDENT: The gentleman from Philadelphia asks for the suspension of the rules that he may offer a resolution which he will read.

Mr. GRUBB: *Mr. President*,—I offer the following:

*Resolved*, That the Executive Council be requested to consider the propriety of calling a meeting of the National Board of Trade at Washington in the beginning of January next and during the meeting of Congress.

By unanimous consent the regular order of business was suspended.

Mr. GRUBB: *Mr. President*,—I ask one or two minutes of your time. I offer this resolution because there may be a contingency in the near future when the experience and opinions of such men as compose this body may be of vital importance at the seat of government. Two years ago, just after the Baltimore Convention of the National Board of Trade, I went to Washington in the interest of my views on the currency question, and while there took part in opposition to the moiety law, with my friends Mr. John Austin Stevens, Mr. Jackson Schultz, Mr.

Nourse, of Boston, Mr. Winsor, of Philadelphia, and a few other gentlemen (a good-sized family umbrella would have covered the whole party). We went at it, and what was the result of our efforts? Why it was through the organized efforts of these few determined men meeting the Committee of Ways and Means that a system of unmitigated plunder greater than any which ever before disgraced American civilization was completely crushed out. In that winter a law was framed correcting the evil, and it went through Congress. There was no opposition scarcely, and not a word said against it except by the member from Massachusetts, General Butler. Mr. President and Gentlemen, if you give the business of the Board to an Executive Council you take out its vitals. What we want is to come before Congress and the people face to face, a deliberative body, and if such a state of affairs occurs that, in the opinion of the gentlemen composing the Executive Council it shall be proper to hold a meeting of the Board at Washington in the middle of January, during the session of Congress, I think it would be our duty to do it. Therefore I ask your support for this resolution.

The resolution was agreed to.

The PRESIDENT: Unless some gentleman from Philadelphia has a resolution to offer in regard to the subject of pilotage, which they also placed upon the programme, the Board has reached the last proposition—the Postal Telegraph.

The Secretary read the proposition, as follows:

XXIV, Postal Telegraph, submitted by the Cheap Transportation Association, New York: Favoring the establishment of a Postal Telegraph.

Mr. COVINGTON, of Cincinnati: I would move that that subject be continued on the programme for the next session, and be referred to the Executive Council for report.

The PRESIDENT: The Board has heard the motion of the gentleman from Cincinnati.

The motion was agreed to.

The PRESIDENT: Mr. Bayard desires, I understand, to introduce a proposition for the amendment of the By-Laws of the Board, so as to make the By-Laws conform to the Constitution as amended. Shall he have leave?

Leave was unanimously granted.

**Mr. BAYARD:** The proposed amendments to the By-Laws are simply to render them conformable to the Constitution as it now stands. If members will refer to the copy of the By-Laws on their desks they will see the point of the proposed amendments. I submit the following changes:

In the first section strike out the word "annual," as it occurs twice in the section.

In the second section strike out the word "annual," and substitute the word "each," so that it will read: "At each election," etc.

In the seventh section amend so as to read as follows: "The annual assessment laid by the Executive Council shall be due and payable by each constituent body within thirty days after it shall have been notified of such assessment, and no delegate shall be," etc. And in the latter part of the section strike out "the annual," and substitute "any."

In the eighth section strike out all after the words "constituent bodies."

In the ninth section substitute the word "report" for "recommend," and strike out the word "annual," as it twice occurs, and insert after the word "meeting," in the first line, the words "of the Board"; so that it will read: "The Executive Council shall report, at each meeting of the Board, the place at which it judges it to be expedient that the next meeting shall be held."

In the tenth section strike out the word "annual" where it occurs, and add to the section the words "next ensuing their election." This section is simply intended to explain as to when the term of service of the delegates shall commence.

Amend the eleventh section so that it shall read: "These By-Laws may be amended at any meeting of the Board, on a vote of two-thirds of the delegates present."

**Mr. HOFFMAN, of Philadelphia:** I move the amendments be adopted.

The amendments were adopted.

**The SECRETARY:** I should like to ask an expression of the Board in the nature of instructions. It was voted by the Board, at the Baltimore meeting, I think, that in each publication of the reports of the meetings there should be embraced a consolidated index or table of contents of the previous volumes. Since that meeting that order has been observed. It is, however, accumulating with each recurring meeting, until there is now some twenty pages of it, and in the course of time it will become the largest part of the book. I merely desire to ask whether that shall be continued or omitted in future reports.

Mr. HENRY, of New York: I move that it be omitted.

The PRESIDENT: If the present resolution is adopted the proper index for each session of the Board will accompany it and not these complex indices of a number of years.

The resolution was agreed to.

Mr. HOW, of Chicago: If in order, I desire to offer a resolution. It is as follows:

*Resolved*, That the Executive Council shall be, and it is hereby, authorized to adopt such measures for the carrying into effect such resolutions as may have been adopted by this Board in such way as may be deemed advisable.

There are several propositions which have been adopted recommending action by Congress and no provision has been made for properly bringing them to the attention of Congress.

The motion was adopted.

Mr. HENRY, of New York: I wish to offer the following, and I move its adoption:

*Resolved*, That the President be instructed and directed to appoint delegates to the next meeting of the Dominion Board of Trade, of Canada.

The resolution was agreed to.

The PRESIDENT: I have a communication on the table from Mr. HENRY RANDALL WAITE, referring generally to matters in which he thinks the public are interested. It will be read.

The Secretary read the communication, as follows:

NEW YORK, June 20, 1876.

To the Honorable Members of the National Board of Trade:

GENTLEMEN,—Will you permit me, very briefly, to call your attention to the plans and purposes of the *National Reform League*?

However hackneyed the expression, the demand of patriotic citizens in every part of the land, with reference to the conduct of governmental affairs, is expressed in one word—"Reform."

I have been pleased to observe the important recognition given to this demand of the times by the members of your influential body. I am convinced that the manly words which you have put upon record in regard to the necessity for a reform in the policy of the Government, in the departments of *finance* and the *revenue*, will go forth with the impress of truth and authority, to do good work in their influence upon legislation. The same

remark may be applied with equal force to your action concerning other reforms, requiring for their attainment legislative action. With these remarks, you will permit me to call your attention to a fact which no citizens will be more ready to admit than the members of your distinguished body; namely, that the success of all efforts for the securing of reform legislation, and the wisdom and consequent success of such legislation itself, must depend upon the character of our law-makers and the other public officers and servants of the nation.

In the recognition of this fact, many citizens of different States have united in the organization of an association whose sole purpose is to use its best endeavors, in ways devised with prudence and in a spirit of true patriotism, to secure first of all a *reform in our civil service*.

To secure such a reform, the National Reform League stands pledged to the exercise of whatever power it may possess by virtue of the character and efficiency of its members.

Believing its ultimate purposes to be identical with those entertained by your honorable body—to obtain that administration of the government which shall secure the greatest prosperity and the greatest happiness to the greatest number of its citizens—they are cordially invited, as opportunity shall offer, to make themselves acquainted with the plans and objects of the Reform League.

Respectfully yours,

HENRY RANDALL WAITE,  
*Chairman Ex. Com. National Reform League.*

Mr. McLARAN, of Milwaukee: I move the adoption of the following:

*Resolved*, That the hearty thanks of this Board be, and are hereby extended to the New York Chamber of Commerce, the New York Produce Exchange, the New York Board of Trade, the New York Importers' and Grocers' Board of Trade, and the New York Cheap Transportation Association, for the very kind and hospitable reception and entertainment which they have tendered to the delegates to the National Board of Trade and their families, and for the admirable arrangements made for carrying on the business of the Board during its present sessions. [Applause.]

The resolution was unanimously agreed to.

Mr. CANDLER, of Boston, moved, and it was voted,

That the thanks of the Board be extended to the newspaper press of New York for their careful reports of our proceedings.

The PRESIDENT: If there are no other propositions to be submitted, it is proper for this Board, having accomplished its work, to adjourn.

Mr. ROPES, of Boston: *Gentlemen*,—I cannot allow this Board to adjourn without moving our accustomed resolution of thanks to our respected and beloved presiding officer for the admirable

manner in which he has conducted and presided over our deliberations during this meeting. I feel that it is entirely unnecessary for me to say anything on this subject; all that I can say and much more is better said by the feelings of my colleagues, and I will only add the hope that he may long live, as the phrase is, to reign over us, and that we may all rejoice when we come together again at our annual meeting to have him preside over us.

The SECRETARY: As there does not happen to be a Vice-President on the platform, I will take this question; those in favor of adopting the resolution of Mr. ROPES will please rise.

The motion was unanimously agreed to, by a rising vote.

The SECRETARY: I have the pleasure of announcing to you, Mr. President, that the resolution you have heard is unanimously adopted as the expression of this body.

A DELEGATE: I move, sir, that the thanks of the Board be returned to the Secretary.

The PRESIDENT: As many as are in favor of presenting the thanks of this Board to Mr. RANDOLPH, the Secretary of this body, will please rise.

The resolution was adopted by a rising vote.

The SECRETARY: *Mr. President and Gentlemen*,—I beg, most sincerely, to thank you for this very kindly expression, which I assure you I very fully appreciate. I do not propose to detain you. I have but one suggestion to make. At the beginning of this session you very properly elected for assistant Secretaries at this meeting Mr. GEORGE WILSON, of New York, and Col. SWORDS, of Newark. We have not had the pleasure of seeing Mr. WILSON with us a great deal, but I happen to know he has been in your service ever since you have been here. Col. SWORDS, as you are aware, has assisted us most acceptably in the duties of the room, while Mr. WILSON has been providing for our entertainment and enjoyment elsewhere, which I am sure we have duly appreciated and greatly enjoyed. I should be gratified, if you should deem it proper, to make public acknowledgment to these gentlemen who have so kindly served both you and me.

Mr. COVINGTON, of Cincinnati: I am glad of the opportunity to return the sincere thanks of the Board to Mr. WILSON for his kindness during this session. I know that his attentions have been, during the excursion and at the banquet, and also during our sessions, of that character which entitles him to the fullest expression of thanks by this Board, and I move that our thanks be tendered to him.

The PRESIDENT: It is moved and seconded that the thanks of this body be presented to Mr. WILSON, for his kindness and attention to the interests of the Board while we have been in this city.

The resolution was unanimously adopted.

Mr. BUZBY, of Philadelphia: *Mr. President*,—I desire, sir, in behalf of this body, to tender our thanks to General Newton, who showed us great kindness and attention during the pleasant excursion we had on the waters of New York. He did a great deal for us.

The PRESIDENT: Those in favor of tendering the thanks of the Board to General Newton for the kindness and interest manifested by him in the Board, at the late visit to Hell Gate, please say "aye."

The motion was agreed to unanimously.

Mr. HOW, of Chicago: The resolution of my friend from Cincinnati was, I think, intended to include Colonel Swords, and I wish to offer a motion that the Board tender its thanks to him for his services and attentions.

The PRESIDENT: I understood that it was intended that a separate resolution was to be offered.

The resolution of thanks to Colonel SWORDS was unanimously adopted.

Mr. SWORDS: I can only offer my thanks and tender my obligations.

Mr. HENRY, of New York: I want to say just one word, sir, in behalf of New York, and I am sure that I express the feeling of every New Yorker here or who has been here or who attended

our dinner; that is, to thank you in behalf of the commercial associations of the City of New York, and the delegates to the Board, for holding this meeting in our city, and for the honor you have done us by so doing.

Mr. BUCHANAN, of Trenton: If there is nobody else to thank, I, representing the youngest member of this association, youngest in point of time since it became connected with your body, although as old in years as this body, desire to thank the President and members of this association for what I, as a member of that body, have experienced here on this occasion. This is the first session at which we have participated with you in your meetings, and I shall carry back to our Board a report of affable gentlemen, of liberal, broad and comprehensive views, meeting to discuss in a friendly manner, questions of great interest to us all. I arose, sir, primarily to explain the absence of my colleague, Senator HEWITT. I expected him here, but I received a letter from him yesterday saying that his family being on the Delaware river in a boat, had been run into by another boat, and he was compelled to go to Philadelphia to attend to them; consequently you have not seen his face, and have lost his wise counsel.

Mr. HAYES, of Detroit: There is yet one more to give thanks. I have to thank you, Mr. President and gentlemen, for the kind attention you gave to my address on the subject of a Department of Commerce, and for your extraordinary kindness and unanimity in voting for its publication separate from the general proceedings of the meeting. I not only deem it a compliment to the address, but I deem it an expression of the deep interest which this association, representing the best commercial interests of this country, have in giving through that address to the people of the country their sentiments in regard to the formation of a national Department of Commerce, which I yet hope to see revolutionize the commercial business of this country.

The PRESIDENT: *Gentlemen of the Board,*— It is always a painful duty for me, after I have been associating with you for the usual number of days, to close our session, and to say the word "farewell." It has been my pleasure to meet with you upon every occasion of the assembling of the Board for the past eight years, and to have enjoyed the health and strength that have enabled me to participate in your deliberations and under

your kind confidence to preside over the body. It is a cause of great thankfulness on my part to God that he has so blessed me with that health and strength. I recognize in the present assemblage of the National Board of Trade familiar faces, that have been permitted in the same way to meet with me for the past eight years. I recognize upon every occasion of our meeting, and welcome the introduction, of new brethren into this body, coming here with all the strength and vigor of youth, with a desire to participate with us in the deliberations of this National Board of Trade; to cast the weight and influence of their knowledge upon the broad waters which we are trying to navigate, and to aid with us in bringing the cargo with which we are freighted, for the public weal, into the safe and secure harbor. I trust, gentlemen, that our highest hopes in regard to the influence of this National Board of Trade may be realized for many years. I cannot hope for myself to preside much longer, if at all, over the deliberations of this body, but in tendering to you my parting words I desire to ask every member of this Board, within the influence of his neighborhood, to bring within the fold as many of the commercial organizations of the country as he can direct toward membership in this Board, and, at the same time, within the circle of his influence among men, that he will endeavor to elicit from the public mind what may benefit the public through the deliberations of this Board, what may add to the strength of the constituent bodies, so that, as the Board grows in numbers, it will grow in influence; and that, if we do not succeed in getting from the General Government the establishment of that department which we have so long labored for, that the power and influence of this Board, the knowledge which it will collect and disseminate will, to some extent, if not to the full extent, supply the deficiency.

With these parting words, gentlemen, I trust that we may all be permitted to meet together again upon the next occasion of our assembling; and that our councils will have the same harmony, unity and good feeling that have characterized them upon this occasion.

This Board is now adjourned.

CONSTITUTION  
OF THE  
NATIONAL BOARD OF TRADE,

ADOPTED AT PHILADELPHIA, JUNE 5, 1868,  
AND AS SINCE AMENDED.

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DECLARATION.

In order to promote the efficiency and extend the usefulness of the various Boards of Trade, Chambers of Commerce, and other chartered bodies, organized for general commercial purposes, in the United States; in order to secure unity and harmony of action in reference to commercial usages, customs and laws; and especially, in order to secure the proper consideration of questions pertaining to the financial, commercial and industrial interests of the country at large, this Association, on this 5th day of June, 1868, is hereby formed by delegates, now in session in the city of Philadelphia, representing the following named commercial organizations, to wit:

Albany Board of Trade,	New York Chamber of Commerce,
Baltimore Board of Trade,	New York Produce Exchange,
Boston Board of Trade,	Oswego Board of Trade,
Boston Corn Exchange.	Peoria Merchants' Exchange,
Buffalo Board of Trade,	Philadelphia Board of Trade,
Charleston Board of Trade,	Philadelphia Commercial Exchange.
Chicago Board of Trade,	Pittsburgh Board of Trade,
Cincinnati Chamber of Commerce,	Portland Board of Trade,
Cleveland Board of Trade,	Providence Board of Trade,
Denver Board of Trade,	Richmond Chamber of Commerce,
Detroit Board of Trade,	St. Louis Board of Trade,
Dubuque Produce Exchange,	St. Louis Union Merchants' Exchange,
Louisville Board of Trade,	St. Paul Chamber of Commerce,
Milwaukee Chamber of Commerce,	Toledo Board of Trade,
Newark Board of Trade,	Troy Board of Trade,
New Orleans Chamber of Commerce,	Wilmington (Del.) Board of Trade.

And the following Constitution is adopted:

ARTICLE I.

SECTION 1. This Association shall be designated the NATIONAL BOARD OF TRADE.

## ARTICLE II.

SECTION 1. Every Local Board of Trade, Chamber of Commerce, or other body organized for general commercial, and not for special or private purposes, and duly chartered under State or National laws, shall be entitled to membership in this Association, on the approval of two-thirds of the bodies represented at any meeting of the Association, and shall be accorded the following representation: Each such Association having fifty members, who have the right to vote therein, shall be entitled to one delegate; having one hundred members, two delegates; having three hundred members, three delegates; having five hundred members, four delegates, and for each additional three hundred members, one additional delegate.

SEC. 2. Delegates, who shall, in all cases, be active members of not less than one year's standing of the respective bodies which they represent, shall be selected by the local organizations in such manner and for such term of not less than one year, as each may see fit. At each meeting of the Board they shall present credentials under seal from the Secretaries of their respective constituencies; these credentials shall certify the number of members authorized to vote, then connected with the body which is claiming representation, and which may present or may have a copy of its charter on file in this Board.

SEC. 3. Any local Board organized in any State where special charters cannot be had, shall be deemed to comply with the provisions of this article by filing with this Board a copy of its Articles of Association under State law, and of its Constitution and By-laws.

## ARTICLE III.

SECTION 1. At all meetings of the Board each delegate shall be entitled to one vote in person, but no voting by proxy shall be allowed. All votes, except for election of officers, shall be *viva voce*. Any delegate may demand a division of the house, and on the demand of three or more delegates, a call of the yeas and nays shall be had, the result of the same to be duly recorded.

## ARTICLE IV.

SECTION 1. The administration of the affairs of this Board shall be vested in a President and fourteen Vice-Presidents, who shall be elected at the annual meeting by ballot on a majority of all the votes cast, and who shall serve until their successors are chosen. Their election shall be the first business in order. They shall be constituted and known as an Executive Council, and five of their number shall be a quorum for the transaction of business. In the absence or disability of the President, a Vice-President, to be designated by his associates, shall serve.

SEC. 2. It shall be the duty of the Executive Council, immediately after their election, to select a Secretary and a Treasurer (neither of whom shall be of their own number), who shall hold office for such time, and who shall receive such compensation as the Council shall determine.

SEC. 3. The offices of the Secretary and Treasurer may be located at such places as the Council may determine.

SEC. 4. Special meetings of the Council shall be held on the call of seven members thereof, at such place as they may designate, on twenty days' notice to be given by the Secretary, which call shall state the object of the meeting.

SEC. 5. In case of the removal, resignation, or death of any member of the Council, his place for the unexpired term shall be promptly filled by the constituent association of which he was a member.

#### ARTICLE V.

SECTION 1. It shall be the duty of the Executive Council: 1st. To provide for full and accurate records of the proceedings of the Board and of its own meetings. 2d. To submit to each meeting a report of the doings of the Board and of its own official acts, as well as a statement of what new or unfinished business may require attention. 3d. To make full statement, concerning the finances of the Board, to the regular meetings, and to other meetings, when called upon to do so. 4th. To apportion to each constituent body its assessment for the expenses of the Board, as provided elsewhere. 5th. To make such recommendations as it may deem to be necessary for the welfare and to promote the objects of the Board.

SEC. 2. The Secretary shall conduct the official correspondence, and shall make and have charge of the records of the Board and of the Executive Council.

SEC. 3. The Treasurer shall give such security as the Executive Council may require, receive and account for all moneys belonging to the Board, and collect assessments and fines; but he shall pay out money and dispose of the property of the Board only on a warrant of the Secretary, countersigned by the President.

#### ARTICLE VI.

SECTION 1. Meetings of the National Board of Trade shall be held at such times and places as shall be determined by the Executive Council.

SEC. 2. Special meetings may be held on the call of eight members of the Executive Council, at such place as they may designate.

SEC. 3. The attendance of forty delegates shall constitute a quorum: *Provided*, That if a majority of the delegates accredited to and in attendance at any meeting shall be in number less than forty, such majority shall constitute a quorum.

SEC. 4. Notice of meetings of the Board shall be served by the Secretary on each constituent body at least thirty days before the time appointed for assembling. The notice shall state the objects of the meeting, and the questions to be considered.

SEC. 5. A meeting of the Executive Council shall be held on the day

preceding the day of any meeting of the Board, and at such other times as may be provided in its By-Laws.

#### ARTICLE VII.

SECTION 1. The expenses of the Board shall be provided for by an assessment—to be made by the Executive Council—on each constituent body, according to the ratio of its officially reported membership.

#### ARTICLE VIII.

SECTION 1. Questions or resolutions, except those which involve points of order, or refer to matters of courtesy, can be submitted only by the constituent bodies of the Board, or by the Executive Council; and when any constituent body shall desire to present a subject for the consideration of the Board, it shall do so in a written paper to be placed in the hands of the Secretary at least forty days previous to the annual or special meeting at which it is to be considered: *Provided, however,* That any subject not thus submitted may be considered and acted upon by a vote of two-thirds of the delegates present.

#### ARTICLE IX.

SECTION 1. Any constituent body charged with a violation of the laws of this Board may, after a formal complaint thereof in writing, on a vote of two thirds of all the delegates of the other bodies represented herein, be expelled; but it shall not be exempted from the payment of assessments levied for the year current.

SEC. 2. Any constituent body may withdraw from membership in the Board on submitting a formal request to that effect at any meeting of the Board or of the Executive Council, and on full payment of all dues.

SEC. 3. In case any constituent body shall fail to be represented at two successive meetings of the Board, and also fail to pay its assessment for two years, it shall cease to be considered in membership.

#### ARTICLE X.

SECTION 1. This Constitution may be amended at any meeting, on a vote of two-thirds of the delegates present; notice of the proposed amendment having been first submitted to the Secretary by a constituent body, at least forty days previous to the meeting at which the same is to be considered, and transmitted by the Secretary in circular copies to each constituent body at least thirty days before said meeting.

#### ARTICLE XI.

SECTION 1. The provisions of this Constitution may be temporarily suspended, except as to a quorum, at any meeting of the Board, by unanimous consent of the delegates present and voting.

## B Y - L A W S .

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I. The following shall be the order of business at the meetings of the Board:

- 1st. The call of the roll.
- 2d. The reading of the reports of the Executive Council and the Treasurer.
- 3d. The election of officers.
- 4th. The reception of papers from associations seeking admission to membership, to be referred to a Committee on Credentials, to consist of five delegates, which shall have leave to sit during the sessions of the Board.
- 5th. The reception of letters from associations seeking to withdraw from the Board, to be referred to the same Committee.
- 6th. The consideration of any subjects proposed in the report of the Executive Council, or in the hands of Committees appointed at a previous meeting.
- 7th. The consideration of the subjects on the Official Programme, in the order in which they are there placed, unless otherwise recommended by the Executive Council.

II. At each election, before the balloting for President, it shall be competent for delegates to make nominations for that office; and, before balloting for Vice-Presidents, each delegation present shall be called upon to make a nomination, and the fourteen persons whose names shall stand highest upon the ballot, provided that they have received a majority of all the votes cast, shall be declared to have been elected.

III. Any resolutions on new business, not upon the Official Programme, or recommended by the Executive Council, excepting those relating to points of order or matters of courtesy, shall be referred to the Executive Council before final action be taken upon them.

IV. At the meetings of the Board no delegate shall speak more than ten minutes on one question, without the leave of the Board, nor more than twenty minutes without unanimous consent.

V. A vote of two-thirds of the delegates present shall be necessary to carry the approval of the Board upon any proposition which may appear, or which may be placed upon the Official Programme.

VI. The rules of the House of Representatives of the United States shall govern the deliberations of the Board, so far as they may be applicable and in harmony with the Constitution and By-Laws.

VII. The annual assessment laid by the Executive Council shall be due and payable by each constituent body within thirty days after it shall have

been officially notified of such assessment. No delegate shall be entitled to a seat, at any meeting of the Board, unless the constituent body to which he belongs shall have paid the assessment for the preceding year; and any constituent body participating in the proceedings of any meeting shall be held liable for the assessment of the current official year.

VIII. The annual assessment shall be based upon the officially-reported membership of the constituent bodies.

IX. The Executive Council shall report at each meeting of the Board the place at which it judges it to be expedient that the next meeting shall be held.

X. The term of service, of not less than one year, for which delegates are elected, shall commence with the date of the meeting of the Board next ensuing their election.

XI. These By-Laws may be amended, at any meeting of the Board, on a vote of two-thirds of the delegates present.

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1876.

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